

# LITTLE HEARTS MATTER

England & Wales · Charity number 1123290

## Details

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**Status** Registered

**Legal form** Charitable company

**Company number** [06442071](#)

**Registered** 2008-03-20

**Register** [View on the Charity Commission register](#)

## Contact

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**Address** Little Hearts Matter  
40 Vicarage Road  
Edgbaston  
Birmingham  
B15 3EZ

**Phone** 01214558982

**Email** [info@lhm.org.uk](mailto:info@lhm.org.uk)

**Website** [www.lhm.org.uk](http://www.lhm.org.uk)

## Activities

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**Objects:** 3.1) TO PROMOTE THE RELIEF OF AND SUPPORT FOR PERSONS AFFECTED BY A SINGLE VENTRICLE HEART CONDITION;3.2) TO SUPPORT FAMILIES OF CHILDREN AND YOUNG PEOPLE AFFECTED BY A SINGLE VENTRICLE HEART CONDITION; AND3.3) TO ADVANCE THE EDUCATION OF THE GENERAL PUBLIC AND THE MEDICAL PROFESSION ON THE SUBJECT OF SINGLE VENTRICLE HEART CONDITIONS AND THEIR IMPLICATIONS FOR THE FAMILY.

**Activities:** Support & advice via telephone helplines, information on diagnoses & treatment, putting families in touch with others with similar experiences through regional support groups, updates & ongoing contact via regular members newsletters, education events for families to meet & learn from medical experts, raising the profile of these conditions etc., etc.,

## Classification

- **How:** Provides Human Resources, Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives, Disability
- **Who:** Children/young People, People With Disabilities, The General Public/mankind

## Geography

- **Area of benefit:** NOT DEFINED. IN PRACTICE, THROUGHOUT ENGLAND & WALES
- Throughout England And Wales

## Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£576,612	£621,672	£353,104	13
2023-12-31	£446,659	£504,457	-	-
2022-12-31	£443,455	£413,286	-	-
2021-12-31	£429,962	£361,055	-	-
2020-12-31	£470,036	£344,694	-	-

## Trustees

Name	Role	Appointed
Asha Ghosh		2025-03-26
DAVID CHARLES ADRIAN BAUMBER		
Hannah Kate Palmer		2021-05-08
ISABEL BRIDGET BAUMBER		
Kimberley Kean		2023-04-22
Vikki King		2023-03-25

**LITTLE HEARTS MATTER**

England & Wales - Charity number 1123290

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# Accounts

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**Little Hearts Matter**  
(a company limited by guarantee)

## **Report and Financial Statements**

**Year ended 31 December 2024**

A company limited by guarantee, registered in England and Wales, number 06442071,  
registered office Hagley Court, 40 Vicarage Road, Edgbaston, B15 3EZ,  
registered charity number 1123290.

## **Little Hearts Matter**

(a company limited by guarantee)

### **Contents**

**Year ended 31 December 2024**

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1 - 6	Trustees' Report
7	Independent Examiner's Report
8	Statement of Financial Activities
9	Balance Sheet
10	Statement of Cash Flows
11 - 19	Notes to the Accounts

## Little Hearts Matter

(a company limited by guarantee)

### Trustees' Report

#### Year ended 31 December 2024

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The Trustees are pleased to present their annual Directors' Report together with the financial statements of the Charity for the year ended 31 December 2024 which are also prepared to meet the requirements for a Directors' Report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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 published in October 2019.

#### Chair's Report

2024 has been eventful and rewarding for Little Hearts Matter (LHM) as the Charity celebrated its 30<sup>th</sup> anniversary. We continued to build on the changes in 2023 following the appointment of a new Chief Executive and the move to a new office. Key achievements during the year, such as the first UK medical symposium relating to patients who have univentricular heart conditions, are included later in this Trustees' Report.

Alongside this, we continued to connect families affected by single ventricle heart conditions, helping them to overcome the sense of isolation that accompanies a life-changing diagnosis, and providing information and support to families in their moment of need.

Income uncertainty continued to impact the charitable sector throughout 2024, driven by the continuing challenges to the wider UK economy. Even though the charity has seen a deficit in 2024, it should be noted that the general funds increased by 17%. The deficit was driven through spend on services using restricted funds received in previous years so is not deemed to be a cause for concern.

LHM continues to conduct careful budgeting and planning to ensure any deficit has not impacted the services and support we offer for our membership, which continue to grow as children are born with a single ventricle heart, as cardiac units direct families to us, and as families and adults living with these conditions discover the charity for the first time.

The Charity ends 2024 in a strong financial position and enjoys the continued support of our members, who provide the direction of the charity. We look forward to continuing to improve the support and opportunities available for children, adults, and families who are living with single ventricle heart conditions.

Since the year end, the Head of Service, Suzie Hutchinson has decided to step down after nearly 30 years with LHM having been one of the Charity's founders. I would like to take this opportunity to thank Suzie for her outstanding service to our members and the single ventricle community, which thoroughly merited the MBE she received in the King's birthday honours in February 2024.

There have also been changes to the Trustee Board since the year end including me replacing Warren Manger as the Honorary Chair. I would like to take this opportunity to thank Warren and the other Trustees who have stepped down for their voluntary support and commitment they have given to LHM.

*Asha Ghosh*

## Little Hearts Matter

(a company limited by guarantee)

### Trustees' Report (continued)

Year ended 31 December 2024

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#### Objectives and Activities

The objective of the Charity is to promote the relief and welfare of persons affected by congenital single ventricle cardiac disease and to advance the education of the medical profession and the general public on the subject of single ventricle cardiac disease and its implications for the family.

The main activities of the Charity in order to meet this objective are:

- providing support and advice via telephone helplines,
- putting families in touch with others with similar experiences through social media groups,
- creating information on diagnoses and treatments in an easy-to-understand format,
- organising education events for families to meet and learn from medical experts,
- raising the profile of these conditions to ensure our members' special needs are more widely understood,
- building relations within the medical world to increase awareness of single ventricle disorders,
- hosting events for the children and their families to experience new activities in a supportive and safe environment,
- funding and promoting research into these complex conditions and their treatments,
- mindfully providing specific bereavement support, and
- providing information and support for the children and young people themselves.

#### Achievements and Performance

2024 was a very positive year for Little Hearts Matter. The core workload of the Charity continues to grow as the number of services expands alongside the size of the membership. Key achievements for the year include:

- more than 700 parents supported via phone, email or in person,
- the first national medical symposium for single ventricular conditions bringing together professional medical colleagues from the whole of the UK,
- an enlarged face-to-face Open Day to celebrate LHM's 30<sup>th</sup> anniversary,
- the creation and release of an awareness video on social media,
- 22 balloons sent to children undergoing a Fontan operation,
- 1,618 birthday cards to children and adults with a single ventricle heart,
- 470 in memory cards sent to parents who have lost their single ventricle heart child,
- an in-person memorial event.

## Little Hearts Matter

(a company limited by guarantee)

### Trustees' Report (continued)

#### Year ended 31 December 2024

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The Charity had 5,669 members as at 31 December 2024 (2023: 5,485).

#### Financial Review and Reserves Policy

It is the policy to maintain unrestricted funds at a level sufficient to cover management and administration costs, to respond to emergency applications for grants which arise from time to time as well as ongoing and future commitments approved by the Board of Trustees. The total reserves as at 31 December 2024 are £353,104 (2023: £398,164) of which £215,618 (2023: £145,181) relate to the unrestricted general fund and £59,957 (2023: £90,906) have been designated.

The Charity would like to maintain a general fund cash balance equating to between three and six months of expenditure from the unrestricted general fund. Based on the budgeted costs approved by the Board of Trustees for the year to 31 December 2025, the Charity has approximately five months (four months at 31 December 2023) of expenditure in the unrestricted general fund cash balance.

#### Income

LHM has received a total income of £576,612 which is 29% higher than previous financial year (£446,659). A key reason for the increase was two legacies received totalling £75,514. The remainder of the increase was driven by increased levels of donations from corporate partners. Given the impact of the economic climate, the level of income in 2024 is deemed extremely satisfactory.

The Board of Trustees and office team are committed to ensuring that the level of income in the last two years is the new baseline to ensure the Charity can continue to expand its service offering to new families and to the young people affected by their life-changing medical conditions as they get older. With the ongoing challenges in the UK economy, the Trustees have a clear focus on income whilst acknowledging the challenges facing the members, friends, corporate and grant funders of LHM.

#### Expenditure

The overall expenditure of £621,672 shows an increase of 23% when compared to the prior year (£504,457). The increase is primarily due to:

- the first full year impact following the splitting the legacy role of "Chief Executive and Service Lead" into two separate roles in 2023
- LHM's first medical symposium,
- holding a face-to-face open day to celebrate the Charity's 30<sup>th</sup> Anniversary,
- increased spend on awareness including creating a social media video,
- higher rental costs for the LHM office.

The Trustees and management have a clear policy that resources will not be expended on projects until the funds have already been received. This can lead to years of higher expenditure following those of increased income.

#### Future Developments

After a year of celebration and change, LHM has put in place a new two-year strategy titled "Strengthening Foundations and Expanding Reach," focusing on enhancing the Charity's ability to support, empower, and advocate for the unique needs of the single ventricle heart community. 2025 will be dedicated to fully establishing services tailored to each member group, ensuring the unique needs of our diverse community are met. Additionally, LHM will lay the groundwork for exciting new projects planned for 2026, which will introduce significant developments to the services provided.

## Little Hearts Matter

(a company limited by guarantee)

### Trustees' Report (continued)

Year ended 31 December 2024

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#### Reference and administrative details

Charity number: 1123290  
Company number: 06442071  
Registered Office: Hagley Court, 40 Vicarage Road, Birmingham, B15 3EZ

#### Our advisors

Bankers: Barclays Bank plc  
Colmore Row,  
Birmingham

Independent Examiner: David Williams FCA FCCA  
Institute of Chartered Accountants in England and Wales  
Locke Williams Associates LLP  
Chartered Accountants  
Studio 2  
150-154 St Pauls Square  
Birmingham  
B3 1QS

Medical Adviser: Dr David Crossland

#### Trustees and Directors

The Directors of the charitable company (the Charity) are its Trustees for the purpose of charity law. The Trustees and Officers serving during the year and since the year end were as follows:

Chair:	W Manger A Ghosh	<i>(resigned 26 April 2025)</i> <i>(appointed 26 April 2025)</i>
Treasurer:	D Baumber	
Other Trustees:	I Baumber K Botham L Hewitt V King S Murphy H Palmer L Durkin J Lube	<i>(appointed 7 September 2024)</i> <i>(appointed 23 March 2024)</i>  <i>(resigned 31 December 2024)</i> <i>(resigned 26 April 2025)</i>

#### Key Management Personnel

Chief Executive: Lisa Davies

## **Little Hearts Matter**

(a company limited by guarantee)

### **Trustees' Report (continued)**

**Year ended 31 December 2024**

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#### **Structure, Governance and Management**

##### *Governing document*

The Company is limited by guarantee and is governed by its Memorandum and Articles of Association filed on 30 November 2007 and updated on 27 January 2025. The Company is also a Charity registered with the Charity Commission.

##### *Appointment of Trustees*

The Trustees of the Charity are appointed for a period of three years, at which point they must resign but are able to offer themselves for re-election at the Annual General Meeting if they so choose. Trustees can only be appointed at the Annual General Meeting by a majority vote of the members represented at the meeting and are proposed and seconded by current members of the Trustee Board.

##### *Trustee induction and training*

New Trustees receive a formal induction process whereby they spend at least one day in the Charity office to further understand the workings of the organisation. In addition to this they receive recent Charity Reports, financial reports and a binder explaining the full responsibilities of a Charity Trustee.

##### *Organisation*

At the quarterly Trustee meetings, the Trustees agree the broad strategy and areas of focus for the Charity. The day-to-day administration of the Charity is delegated to the Chief Executive who is given support by the Finance and General Purposes Committee, which consists of the Chair and two further Trustee members as well as the Chief Executive. The Committee meets every month.

#### **Risk Management**

The Board of Trustees has examined the major strategic, business and operational risks which the Charity has and confirms that systems have been established to enable a Risk Register to be produced so that the necessary steps can be taken to manage such risks.

#### **Grant Making Policy**

The applications for funding of projects are reviewed by the Board of Trustees for approval.

#### **Public Benefit**

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities as well as setting the grant-making policy for the year.

## Little Hearts Matter

(a company limited by guarantee)

### Trustees' Report (continued)

Year ended 31 December 2024

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#### Trustees' responsibilities in relation to the Financial Statements

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

Laws applicable to charitable companies in England and Wales require the Trustees and Directors to prepare financial statements for each financial period, which give a true and fair view of the charitable Company as at its balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial 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 in the Charities SORP,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charitable company will continue in operation.

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the charitable Company and enable them to ensure the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the Board of Trustees and signed on their behalf by:



**D Baumber**  
Treasurer

28<sup>th</sup> June 2025

## Little Hearts Matter

(a company limited by guarantee)

### Independent Examiner's Report to the Trustees of Little Hearts Matter

Year ended 31 December 2024

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I report to the Charity Trustees on my examination of the accounts of Little Hearts Matter (the Charity) for the year ended 31 December 2024.

#### Responsibilities and basis of report

As the Charity Trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

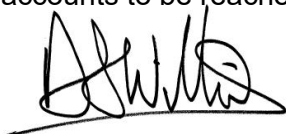
#### Independent Examiner's statement

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



David Williams FCA FCCA  
Institute of Chartered Accountants in England and Wales  
Locke Williams Associates LLP  
Chartered Accountants  
Studio 2  
150-154 St Pauls Square  
West Midlands  
B3 1QS

5 July 2025

**Statement of Financial Activities including Income and Expenditure Account**

**Year ended 31 December 2024**

	Note	Unrestricted Funds		Restricted Funds	Total funds for year ended 31 December 2024	Total funds for year ended 31 December 2023
		General	Designated			
		£	£	£	£	£
<b>Incoming resources</b>						
Donations		178,110	-	-	<b>178,110</b>	111,435
Fundraising		91,123	-	-	<b>91,123</b>	111,616
Corporate/grant funders		168,277	-	106,548	<b>274,825</b>	200,167
Tax refunds		25,611	-	5,340	<b>30,951</b>	18,264
Income from sale of merchandise	3	1,369	-	-	<b>1,369</b>	5,177
Interest income		234	-	-	<b>234</b>	-
<b>Total incoming resources</b>		<b>464,724</b>	<b>-</b>	<b>111,888</b>	<b>576,612</b>	<b>446,659</b>
<b>Resources expended</b>						
Costs of generating funds	4	8,769	-	-	<b>8,769</b>	11,710
Charitable activities	5	385,518	42,040	185,345	<b>612,903</b>	492,747
<b>Total resources expended</b>		<b>394,287</b>	<b>42,040</b>	<b>185,345</b>	<b>621,672</b>	<b>504,457</b>
<b>Transfers between funds</b>		<b>-</b>	<b>11,091</b>	<b>(11,091)</b>	<b>-</b>	<b>-</b>
<b>Net movement in funds</b>		<b>70,437</b>	<b>(30,949)</b>	<b>(84,548)</b>	<b>(45,060)</b>	<b>(57,798)</b>
Fund balance at 31 December 2023		145,181	90,906	162,077	<b>398,164</b>	455,962
<b>Fund balance at 31 December 2024</b>		<b>215,618</b>	<b>59,957</b>	<b>77,529</b>	<b>353,104</b>	<b>398,164</b>

The Statement of Financial Activities includes all gains and losses recognised in the period.

All income and expenditure derive from continuing activities.

## Little Hearts Matter

(a company limited by guarantee, company number 06442071)

### Balance Sheet

As at 31 December 2024

	Notes	As at 31 December 2024 £	As at 31 December 2023 £
<b>Fixed assets</b>			
Intangible fixed assets	9	10,208	16,190
Tangible fixed assets	9	1,481	1,964
		<u>11,689</u>	<u>18,154</u>
<b>Current assets</b>			
Debtors	10	39,484	19,846
Cash at bank and in hand	11	320,060	385,563
		<u>359,544</u>	<u>405,409</u>
<b>Creditors: amounts falling due within one year</b>	12	(18,129)	(25,399)
Net current assets		<u>341,415</u>	<u>380,010</u>
<b>Net assets</b>		<u>353,104</u>	<u>398,164</u>
<b>Funds</b>			
Unrestricted:			
General	13	215,618	145,181
Designated	13	59,957	90,906
		<u>275,575</u>	<u>236,087</u>
Restricted	13,14	77,529	162,077
<b>Total Charity Funds</b>		<u>353,104</u>	<u>398,164</u>

For the year ended 31 December 2023 the Company was entitled to exemption from audit under section 477 of the Companies Act 2006 ('CA2006') relating to small companies.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2023 in accordance with Section 476 of the CA2006.

The Directors acknowledge their responsibilities for complying with the requirements of the CA2006 with respect to the accounting records and the preparation of the accounts.

These financial statements were approved by the Board of Directors on 28<sup>th</sup> June 2025 and signed on its behalf by:



**A Ghosh**  
Chair  
Director



**D Baumber**  
Treasurer  
Director

## Little Hearts Matter

(a company limited by guarantee, company number 06442071)

### Statement of Cash Flows

Year ended 31 December 2024

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	Notes	Year ended 31 December 2024 £	Year ended 31 December 2023 £
<b>Cash flows from operating activities:</b>			
Net expenditure		(45,060)	(57,798)
Adjustments for:			
Depreciation/Amortisation		7,539	9,037
(Increase)/Decrease in debtors and prepayments		(19,638)	6,426
(Decrease)/Increase in creditors		(7,270)	7,760
<b>Net cash used in operating activities</b>		<b>(64,429)</b>	<b>(34,575)</b>
<b>Cash flows from investing activities:</b>			
Interest received		-	-
Purchase of fixed assets		(1,074)	(2,296)
<b>Net cash provided by investing activities</b>		<b>(1,074)</b>	<b>(2,296)</b>
<b>Change in cash and cash equivalents</b>		<b>(65,503)</b>	<b>(36,871)</b>
Opening cash and cash equivalents		385,563	422,434
<b>Closing cash and cash equivalents</b>	11	<b>320,060</b>	<b>385,563</b>

## **Notes to the Financial Statements**

**Year ended 31 December 2024**

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### **1 Company status**

The Charity is a company limited by guarantee in England and Wales and does not have any share capital. The liability of the members is limited and shall not exceed £1 per member. Any surplus on winding up is to be donated to a charity whose objects are of a similar nature. The charitable company has taken advantage of section 60 of the Companies Act 2006 and deleted the word 'Limited' from its name.

### **2 Principal accounting policies**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's accounts.

#### **a) Basis of accounting**

The financial statements have been prepared in accordance with the Charities Act 2011 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' published in October 2019, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Preparation of the accounts on a going concern basis. The Charity reported a deficit of £45,060 during the year and had total funds of £353,104 including a cash balance of £320,060. The Trustees are of the view that on this basis the Charity is a going concern. The Trustees remain in regular contact with members and sponsoring bodies to secure their ongoing financial support.

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

#### **b) Income**

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

For legacies, entitlement is taken as the earlier of the date on which either the Charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executors to the Charity that a distribution will be made, or when a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the Charity has been notified of the executors' intention to make a distribution.

**Notes to the Financial Statements (continued)**

**Year ended 31 December 2024**

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**2 Principal accounting policies (continued)**

**c) Expenditure and irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

**d) Governance costs**

Governance costs comprise costs for the running of the Charity itself as an organisation.

**e) Stocks**

Stocks are valued at the lower of cost and net realisable value. Given the slow moving nature of the stocks, these balances have now been fully written off.

**f) 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.

**g) Tangible fixed assets and depreciation**

Tangible fixed assets are capitalised and included at cost including any incidental expenses of acquisition. Only items with a cost greater than £1,000 are capitalised with lower values expensed through the Statement of Financial Activities.

Fixed assets are depreciated at annual rates estimated to write off the cost over their expected working life on the following bases:

Fixtures and fittings	20%
Computer equipment	33%
Websites	20%

The original cost of websites is capitalised into fixed assets but ongoing maintenance and minor modifications are shown in the Statement of Financial Activities.

**h) Operating leases**

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

**i) Taxation**

Little Hearts Matter is registered as a Charity with the Charity Commission and under the provisions of Section 478 Corporation Tax Act 2010, is exempt from liability to taxation.

**j) Financial instruments**

The Charity only has financial assets and 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.

**k) Donated services**

The Board of Trustees also provide services to the Charity for day to day book-keeping, report production, information production and other ad-hoc tasks. The Charity also has volunteers who continued circa 2,400 hours of their time, help provide the dedicated support line service and support administrative tasks in the office. In accordance with the Charities SORP (FRS 102), the general volunteer time of these groups has not been recognised in these accounts.

**Notes to the Financial Statements (continued)**

**Year ended 31 December 2024**

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**2 Principal accounting policies (continued)**

**1) Critical accounting estimates and judgements**

In the application of the Charity’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 Profit on sale of merchandise**

	<b>Year ended 31 December 2024</b>	Year ended 31 December 2023
	£	£
Sales	<b>1,369</b>	5,177
Cost of sales (note 4)	<b>(604)</b>	(2,887)
<b>Net profit</b>	<b><u>765</u></b>	<u>2,290</u>

**4 Costs of generating funds**

	<b>Year ended 31 December 2024</b>	Year ended 31 December 2023
	£	£
LHM Events	<b>2,747</b>	3,854
Fundraising website charges	<b>3,624</b>	3,159
Cost of sales of merchandise (note 3)	<b>604</b>	2,887
Printing, travel and postage	<b>970</b>	594
Other	<b>824</b>	1,216
	<b><u>8,769</u></b>	<u>11,710</u>

**Notes to the Financial Statements (continued)**

**Year ended 31 December 2024**

**5 Charitable activities**

	<b>Year ended 31 December 2024</b>	Year ended 31 December 2023
	<b>£</b>	<b>£</b>
Staff costs	<b>318,001</b>	260,285
Rent and service charges	<b>65,228</b>	50,052
Open day / Summer event	<b>36,977</b>	25,924
IT support & Licences	<b>20,805</b>	14,561
Temporary staff	<b>19,250</b>	-
Medical symposium	<b>16,488</b>	-
Awareness	<b>15,633</b>	6,791
Animations/Videos	<b>15,310</b>	-
Database	<b>14,638</b>	13,178
Printing/photocopying	<b>12,914</b>	4,685
Governance costs	<b>11,807</b>	7,639
Other events	<b>11,249</b>	22,710
Newsletter	<b>8,658</b>	14,583
Depreciation	<b>7,539</b>	9,037
Telephone	<b>5,105</b>	7,223
Insurance	<b>3,713</b>	4,232
Training	<b>3,379</b>	2,313
Travel and hotels	<b>3,216</b>	1,565
Gifts	<b>2,869</b>	2,878
Subscriptions	<b>2,583</b>	2,132
Postage	<b>2,395</b>	3,641
Recruitment	<b>1,484</b>	13,349
Meetings	<b>1,168</b>	2,551
Pensions administration	<b>1,123</b>	1,123
Office move	-	11,602
Other costs	<b>11,371</b>	10,693
	<b>612,903</b>	<b>492,747</b>
Analysed as:		
Unrestricted: General	<b>385,518</b>	358,688
Unrestricted: Designated	<b>42,040</b>	10,615
Restricted	<b>185,345</b>	123,444
	<b>612,903</b>	<b>492,747</b>

**Notes to the Financial Statements (continued)**

**Year ended 31 December 2024**

**6 Governance costs**

	<b>Year ended 31 December 2024</b>	Year ended 31 December 2023
	£	£
Staff costs	<b>6,331</b>	6,484
Trustee recruitment	<b>3,000</b>	-
Independent examiner's fee	<b>1,380</b>	1,080
Trustee expenses	<b>760</b>	-
Meeting costs	<b>336</b>	-
Training	<b>-</b>	75
	<b><u>11,807</u></b>	<u>7,639</u>

The Trustee expenses have been apportioned to take account of meetings attended by the Trustees involved in day-to-day running of the Charity and the values above relate to travel to Trustee meetings. The staff costs are an apportionment based on estimated time.

Expenses relating to previous years included within creditors: amounts due within one year (note 13) have been released and treated as donations where claims have not been made.

The amount paid to the independent examiner for the independent examination in the year totalled £1,380 (2023: 1,200).

**7 Trustees' remuneration**

No remuneration has been paid to the members of the Board of Trustees. During the year no members of the Board of Trustees were reimbursed for travel expenses (2023: £nil). Where feasible the Charity incurs the cost directly for Trustee travel and accommodation expenses.

**8 Staff costs**

The aggregate cost of employment was as follows:

	<b>Year ended 31 December 2024</b>	Year ended 31 December 2023
	£	£
Wages and salaries	<b>292,986</b>	243,273
Social security costs	<b>23,074</b>	17,469
Pensions	<b>8,272</b>	6,027
	<b><u>324,332</u></b>	<u>266,769</u>
The average number of employees was:		
Administration	<b><u>11</u></b>	<u>9</u>

No employees received benefits of more than £60,000 (excluding employers' national insurance and pension contributions).

The key management personnel of the Charity comprise the Trustees, the Chief Executive, the Head of Service, and the office manager. The total employee benefits of the key management personnel were £154,572 (2023: £101,571) including employers' national insurance and pension contributions. The increase year on year was driven by first full year impact following an appointment part way through 2023.

Notes to the Financial Statements (continued)

Year ended 31 December 2024

9 Comparatives for the Statement of Financial Activities

	Note	Unrestricted Funds		Restricted Funds	Total funds for year ended 31 December 2023	Total funds for year ended 31 December 2022
		General	Designated			
		£	£	£	£	£
<b>Incoming resources</b>						
Donations		89,840	21,000	595	111,435	119,420
Fundraising		111,616	-	-	111,616	94,449
Corporate/grant funders		85,314	-	114,853	200,167	210,449
Tax refunds		18,264	-	-	18,264	14,412
Income from sale of merchandise	3	5,177	-	-	5,177	4,725
<b>Total incoming resources</b>		<b>310,211</b>	<b>21,000</b>	<b>115,448</b>	<b>446,659</b>	<b>443,455</b>
<b>Resources expended</b>						
Costs of generating funds	4	11,710	-	-	11,710	11,169
Charitable activities	5	358,688	10,615	123,444	492,747	402,117
<b>Total resources expended</b>		<b>370,398</b>	<b>10,615</b>	<b>123,444</b>	<b>504,457</b>	<b>413,286</b>
<b>Transfers between funds</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net movement in funds</b>		<b>(60,187)</b>	<b>10,385</b>	<b>(7,996)</b>	<b>(57,798)</b>	<b>30,169</b>
Fund balance at 31 December 2022		205,368	80,521	170,073	455,962	425,793
<b>Fund balance at 31 December 2023</b>		<b>145,181</b>	<b>90,906</b>	<b>162,077</b>	<b>398,164</b>	<b>455,962</b>

10 Tangible fixed assets

	Fixtures and fittings	Computer equipment	Total Tangible fixed assets	Intangible fixed assets: websites
	£	£	£	£
<b>Cost</b>				
At 1 January 2024	1,217	12,261	13,478	28,934
Additions	-	1,074	1,074	-
Disposals	-	(1,380)	(1,380)	-
<b>At 31 December 2024</b>	<b>1,217</b>	<b>11,955</b>	<b>13,172</b>	<b>28,934</b>
<b>Depreciation</b>				
At 1 January 2024	1,217	10,297	11,514	12,744
Charge for the year	-	1,557	1,557	5,982
Disposals	-	(1,380)	(1,380)	-
<b>At 31 December 2024</b>	<b>1,217</b>	<b>10,474</b>	<b>11,691</b>	<b>18,726</b>
<b>Net Book value</b>				
<b>At 31 December 2024</b>	<b>-</b>	<b>1,481</b>	<b>1,481</b>	<b>10,208</b>
At 31 December 2023	-	1,964	1,964	16,190

**Notes to the Financial Statements (continued)**

**Year ended 31 December 2024**

**11 Debtors**

	<b>As at 31 December 2024</b>	As at 31 December 2023
	£	£
Prepayments	39,250	19,846
Interest receivable	234	-
	<u>39,484</u>	<u>19,846</u>

**12 Cash at bank and in hand**

	<b>As at 31 December 2024</b>	As at 31 December 2023
	£	£
Current accounts	44,967	385,484
Deposit accounts	275,000	-
Cash in hand	93	79
	<u>320,060</u>	<u>385,563</u>

**13 Creditors: amounts falling due within one year**

	<b>As at 31 December 2024</b>	As at 31 December 2023
	£	£
Taxation and social security	7,632	8,050
Accruals	10,497	17,349
	<u>18,129</u>	<u>25,399</u>

**14 Leasing arrangements**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	<b>As at 31 December 2024</b>	As at 31 December 2023
	£	£
Within one year	32,220	18,795
Between one and five years	93,975	126,195
	<u>126,195</u>	<u>144,990</u>

**15 Analysis of net assets between funds**

	Restricted fund	Unrestricted funds	<b>As at 31 December 2024</b>	As at 31 December 2023
	£	£	£	£
Fixed assets	10,208	1,481	11,689	18,154
Net current assets	67,321	274,094	341,415	380,010
	<u>77,529</u>	<u>275,575</u>	<u>353,104</u>	<u>398,164</u>

**Notes to the Financial Statements (continued)**

**Year ended 31 December 2024**

**16 Analysis of charitable funds**

	As at 31 December 2023 £	Incoming resources £	Transfers £	Resources expended £	As at 31 December 2024 £
<b>Unrestricted funds:</b>					
General Fund	145,181	464,724	-	(394,287)	<b>215,618</b>
Designated Fund: Service	82,224	-	11,091	(41,328)	<b>51,987</b>
Designated Fund: Bursaries	8,682	-	-	(712)	<b>7,970</b>
	<u>236,087</u>	<u>464,724</u>	<u>11,091</u>	<u>(436,327)</u>	<u><b>275,575</b></u>
<b>Restricted funds:</b>					
Paul Hamlyn - adult services	57,104	-	-	(35,482)	<b>21,622</b>
Lottery - Bereavement Support	-	19,343	278	(9,618)	<b>10,003</b>
St James's Place	-	10,000	-	-	<b>10,000</b>
Lottery Community Fund	16,987	37,395	-	(45,208)	<b>9,174</b>
Barbara Ward	6,176	6,662	-	(5,211)	<b>7,627</b>
Youth services	6,464	-	-	(1,727)	<b>4,737</b>
Energy Project	3,143	-	-	-	<b>3,143</b>
St James's Place	4,158	-	-	(1,386)	<b>2,772</b>
Persimmon	23,108	-	-	(20,389)	<b>2,719</b>
Freddy Fund	9,930	371	-	(9,003)	<b>1,298</b>
British Medical Association	4,607	-	-	(3,310)	<b>1,297</b>
Children in Need	16,521	8,828	-	(24,989)	<b>360</b>
Medical Symposium	-	26,340	(11,091)	(15,249)	-
PEARS	4,190	-	-	(4,190)	-
Other (each < £3,000)	9,689	2,949	(278)	(9,583)	<b>2,777</b>
	<u>162,077</u>	<u>111,888</u>	<u>(11,091)</u>	<u>(185,345)</u>	<u><b>77,529</b></u>
<b>Total funds</b>	<u><b>398,164</b></u>	<u><b>576,612</b></u>	<u><b>-</b></u>	<u><b>(621,672)</b></u>	<u><b>353,104</b></u>

The designated funds have been created to ensure that any shortfall in funding for the core services of LHM can met. This then provides continuity of support for the membership.

The restricted funds with a closing balance > £5,000 relate to the following:

Paul Hamlyn	These funds have been provided to enable LHM to expand its services and provide dedicated services for adults with a single ventricle heart condition.
Lottery – Bereavement support	These funds have been provided to support our annual bereavement event and bereavement cards.
St James Place	These funds have been provided to support the salary of the Child Services Lead.
Lottery - Community Fund	This provides funding for social media service provision.
Barbara Ward Fund	These funds have been received to provide activity weekends for children and their siblings affected by a single ventricle heart condition.

## Little Hearts Matter

(a company limited by guarantee, company number 06442071)

### Notes to the Financial Statements (continued)

Year ended 31 December 2024

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#### 16 Related Party Transactions

The only related party transactions, other than expenses disclosed in note 7, have been monies received from the Trustees and their families as follows:

	Year ended 31 December 2024	Year ended 31 December 2023
	£	£
Donations	<u>450</u>	<u>300</u>
	<u>450</u>	<u>300</u>

**LITTLE HEARTS MATTER**

England & Wales - Charity number 1123290

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# Accounts

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**Little Hearts Matter**  
(a company limited by guarantee)

## **Report and Financial Statements**

**Year ended 31 December 2023**

A company limited by guarantee, registered in England and Wales, number 06442071,  
registered office Hagley Court, 40 Vicarage Road, Edgbaston, B15 3EZ,  
registered charity number 1123290.

## **Little Hearts Matter**

(a company limited by guarantee)

### **Contents**

**Year ended 31 December 2023**

---

1 - 6	Trustees' Report
7	Independent Examiner's Report
8	Statement of Financial Activities
9	Balance Sheet
10 - 19	Notes to the Accounts

## Little Hearts Matter

(a company limited by guarantee)

### Trustees' Report

#### Year ended 31 December 2023

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The Trustees are pleased to present their annual Directors' Report together with the financial statements of the Charity for the year ended 31 December 2023 which are also prepared to meet the requirements for a Directors' Report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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 published in October 2019.

#### Chair's Report

2023 has been eventful and rewarding for Little Hearts Matter (LHM). We successfully navigated our first change of Chief Executive, moved offices due to the redevelopment of our previous premises, and introduced additional services for our young and adult members during 2023.

Alongside this, we continued to connect families affected by single ventricle heart conditions, helping them to overcome the sense of isolation that accompanies a life-changing diagnosis, and providing information and support to families in their moment of need.

Suzie Hutchinson decided to step down as Chief Executive after nearly 30 years and move into a newly created role as Head of Services. This will allow her to focus on providing the best support for our members and work alongside our new Chief Executive, Lisa Davies, to take the charity forward. I would like to take this opportunity to thank Suzie for her outstanding service to our members and the single ventricle community, which thoroughly merited the MBE she received in the King's birthday honours. I look forward to working with both Suzie and Lisa in their new roles.

The office team have been outstanding throughout this transition, supporting the operation and income of the charity, and continuing to support our members, many of whom faced cost of living challenges in addition to their health issues during 2023. Further details of the support provided by our staff and support line volunteers are included later in this report.

Income uncertainty continued to impact the charity sector throughout 2023, driven by the cost of living crisis. This was compounded by the fact that LHM has incurred a number of one-off costs associated with the recruitment of a new Chief Executive and our need to move premises this year, resulting in a modest decrease in our cash reserves during 2023. Careful budgeting and planning ensured this has not impacted the services and support we offer for our membership, which continue to grow as children are born with a single ventricle heart, cardiac units direct families to us, and families and adults living with these conditions discover the charity for the first time.

LHM ends 2023 in a strong financial position and enjoys the continued support of our members, who provide the direction of the charity. We embark on our 30th anniversary year with a clear focus and look forward to seizing this opportunity to improve the support and opportunities available for children, adults, and families who are living with single ventricle heart conditions.

*Warren Manger*

## **Little Hearts Matter**

(a company limited by guarantee)

### **Trustees' Report (continued)**

**Year ended 31 December 2023**

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#### **Objectives and Activities**

The objective of the Charity is to promote the relief and welfare of persons affected by congenital single ventricle cardiac disease and to advance the education of the medical profession and the general public on the subject of single ventricle cardiac disease and its implications for the family.

The main activities of the Charity in order to meet this objective are:

- providing support and advice via telephone helplines,
- putting families in touch with others with similar experiences through social media groups,
- creating information on diagnoses and treatments in an easy-to-understand format,
- organising education events for families to meet and learn from medical experts,
- raising the profile of these conditions to ensure our members' special needs are more widely understood,
- building relations within the medical world to increase awareness of single ventricle disorders,
- hosting events for the children and their families to experience new activities in a supportive and safe environment,
- funding and promoting research into these complex conditions and their treatments,
- mindfully providing specific bereavement support, and
- providing information and support for the children and young people themselves.

#### **Achievements and Performance**

2023 was a very positive year for Little Hearts Matter. The core workload of the Charity continues to grow as the number of services expands alongside the size of the membership. Key achievements for the year include:

- The first residential activity weekend for adults with a single ventricle heart.
- A big family summer event which was both a day event and weekend residential.
- A youth activity week.
- Two 'Jigzy' comics focussed on supporting 7 to 11 year olds.
- 26 balloons sent to children undergoing a Fontan operation.
- 1,598 birthday cards to children and adults with a single ventricle heart.
- 375 in memory cards sent to parents who have lost their single ventricle heart child.
- A physical memorial event.

## Little Hearts Matter

(a company limited by guarantee)

### Trustees' Report (continued)

#### Year ended 31 December 2023

---

The Charity had 5,485 members as at 31 December 2023 (2022: 5,491).

#### Financial Review and Reserves Policy

It is the policy to maintain unrestricted funds at a level sufficient to cover management and administration costs, to respond to emergency applications for grants which arise from time to time as well as ongoing and future commitments approved by the Board of Trustees. The total reserves as at 31 December 2023 are £398,164 (2022: £455,962) of which £145,181 (2022: £205,368) relate to the general fund and £90,906 (2022: £80,251) have been designated.

The Charity would like to maintain a general fund cash balance equating to between three and six months of expenditure from the unrestricted general fund. Based on the budgeted costs approved by the Board of Trustees for the year to 31 December 2022, the Charity has approximately four months (six months at 31 December 2022) of expenditure in the unrestricted general fund cash balance.

#### *Income*

LHM has received a total income of £446,659 which is comparable to the previous financial year (£443,455). Given the impact of the economic climate, the level of income in 2023 is deemed extremely satisfactory.

The Board of Trustees and office team are committed to ensuring that the level of income in the last two years is the new baseline to ensure the Charity can continue to expand its service offering to new families and to the young people affected by their life-changing medical conditions as they get older. With the forthcoming challenges of the cost of living crisis in the UK, the Trustees have a clear focus on income, acknowledge the challenges facing the members, friends and grant funders of LHM.

#### *Expenditure*

The overall expenditure of £504,457 shows an increase of 22% when compared to the prior year (£413,286). The increase is primarily due to:

- splitting the legacy role of "Chief Executive and Service Lead" into two separate roles, including recruitment costs,
- increasing fundraising resources,
- spending funds received in previous years on activity weekends for the youth and young adult members, and the need
- to relocate due to the closure of the office building which caused disruption and unforeseen costs in December 2023.

The Trustees and management have a clear policy that resources will not be expended on projects until the funds have already been received. This can lead to years of higher expenditure following those of increased income.

#### Future Developments

The growth in the Charity membership in recent years has led to increased demand for the various services offered. One key focus area is the increasing age of the children with single ventricle conditions and this has led to the next stage of the Charity's strategy – "Creating a Better Future". The Charity will continue to provide and expand on the services to families of the younger affected children as well as to bereaved families, but will also look to build these services and develop new support into a full roadmap as young people enter adulthood.

## Little Hearts Matter

(a company limited by guarantee)

### Trustees' Report (continued)

Year ended 31 December 2023

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#### Reference and administrative details

Charity number: 1123290  
Company number: 06442071  
Registered Office: Hagley Court, 40 Vicarage Road, Birmingham, B15 3EZ

#### Our advisors

Bankers: Barclays Bank plc  
Colmore Row,  
Birmingham

Independent Examiner: David Williams FCA FCCA  
Institute of Chartered Accountants in England and Wales  
Locke Williams Associates LLP  
Chartered Accountants  
Blackthorn House  
St Pauls Square  
Birmingham  
West Midlands  
B3 1RL

Medical Adviser: Dr David Crossland

#### Trustees and Directors

The Directors of the charitable company (the Charity) are its Trustees for the purpose of charity law. There are two exceptions being S Green and V King who are not directors of the Company yet (appointment dates shown below represent when they were voted onto the Trustee Board). The Trustees and Officers serving during the year and since the year end were as follows:

Chair: W Manger

Treasurer: D Baumber

Other Trustees: I Baumber  
K Botham (*appointed 22 April 2023*)  
L Durkin  
S Green (*appointed 22 April 2023*)  
J Lube  
V King (*appointed 23 March 2024*)  
H Palmer  
P Groves (*resigned 22 April 2023, having not opted for re-election*)  
M O'Herlihy (*resigned 22 April 2023, having not opted for re-election*)  
A Pearce (*resigned 22 April 2023*)

#### Key Management Personnel

Chief Executive: Lisa Davies

Head of Service: Suzie Hutchinson

## Little Hearts Matter

(a company limited by guarantee)

### Trustees' Report (continued)

Year ended 31 December 2023

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#### Structure, Governance and Management

##### *Governing document*

The Company is limited by guarantee and is governed by its Memorandum and Articles of Association filed on 30 November 2007. The Company is also a Charity registered with the Charity Commission.

##### *Appointment of Trustees*

The Trustees of the Charity are appointed for a period of three years, at which point they must resign but are able to offer themselves for re-election at the Annual General Meeting if they so choose. Trustees can only be appointed at the Annual General Meeting by a majority vote of the members represented at the meeting and are proposed and seconded by current members of the Trustee Board.

##### *Trustee induction and training*

New Trustees receive a formal induction process whereby they spend at least one day in the Charity office to further understand the workings of the organisation. In addition to this they receive recent Charity Reports, financial reports and a binder explaining the full responsibilities of a Charity Trustee.

##### *Organisation*

At the quarterly Trustee meetings, the Trustees agree the broad strategy and areas of focus for the Charity. The day-to-day administration of the Charity is delegated to the Chief Executive who is given support by the Finance and General Purposes Committee, which consists of the Chair and two further Trustee members as well as the Chief Executive. The Committee meets every month.

#### Risk Management

The Board of Trustees has examined the major strategic, business and operational risks which the Charity has and confirms that systems have been established to enable a Risk Register to be produced so that the necessary steps can be taken to manage such risks.

Covid and the recovery from this virus combined with the cost of living crisis, continue to present challenges to the Charity and its membership. The financial position during 2021 and 2022 improved through tight cost control and support from various grant making bodies as well as the membership enabling the increased spend to be incurred in 2023. This position then lessens the risk to LHM but the Trustee Board and office team continue to monitor the situation closely and adapt as required.

## Little Hearts Matter

(a company limited by guarantee)

### Trustees' Report (continued)

Year ended 31 December 2023

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#### Grant Making Policy

The applications for funding of projects are reviewed by the Board of Trustees for approval.

#### Public Benefit

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities as well as setting the grant-making policy for the year.

#### Trustees' responsibilities in relation to the Financial Statements

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

Laws applicable to charitable companies in England and Wales require the Trustees and Directors to prepare financial statements for each financial period, which give a true and fair view of the charitable Company as at its balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial 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 in the Charities SORP,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charitable company will continue in operation.

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the charitable Company and enable them to ensure the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the Board of Trustees and signed on their behalf by:



**D Baumber**  
**Treasurer**

20<sup>th</sup> June 2024

## Little Hearts Matter

(a company limited by guarantee)

### Independent Examiner's Report to the Trustees of Little Hearts Matter

Year ended 31 December 2023

---

I report to the Charity Trustees on my examination of the accounts of Little Hearts Matter (the Charity) for the year ended 31 December 2023.

#### Responsibilities and basis of report

As the Charity Trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

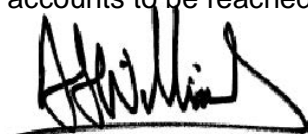
#### Independent Examiner's statement

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



David Williams FCA FCCA  
Institute of Chartered Accountants in England and Wales  
Locke Williams Associates LLP  
Chartered Accountants  
Blackthorn House  
St Pauls Square  
Birmingham  
West Midlands  
B3 1RL

21 June 2024

**Statement of Financial Activities including Income and Expenditure Account**

**Year ended 31 December 2023**

	Note	Unrestricted Funds		Restricted Funds	Total funds for year ended 31 December 2023	Total funds for year ended 31 December 2022
		General	Designated			
		£	£	£	£	£
<b>Incoming resources</b>						
Donations		89,840	21,000	595	<b>111,435</b>	119,420
Fundraising		111,616	-	-	<b>111,616</b>	94,449
Corporate/grant funders		85,314	-	114,853	<b>200,167</b>	210,449
Tax refunds		18,264	-	-	<b>18,264</b>	14,412
Income from sale of merchandise	3	5,177	-	-	<b>5,177</b>	4,725
<b>Total incoming resources</b>		<b>310,211</b>	<b>21,000</b>	<b>115,448</b>	<b>446,659</b>	<b>443,455</b>
<b>Resources expended</b>						
Costs of generating funds	4	11,710	-	-	<b>11,710</b>	11,169
Charitable activities	5	358,688	10,615	123,444	<b>492,747</b>	402,117
<b>Total resources expended</b>		<b>370,398</b>	<b>10,615</b>	<b>123,444</b>	<b>504,457</b>	<b>413,286</b>
<b>Transfers between funds</b>		-	-	-	-	-
<b>Net movement in funds</b>		<b>(60,187)</b>	<b>10,385</b>	<b>(7,996)</b>	<b>(57,798)</b>	<b>30,169</b>
Fund balance at 31 December 2022		205,368	80,521	170,073	<b>455,962</b>	425,793
<b>Fund balance at 31 December 2023</b>		<b>145,181</b>	<b>90,906</b>	<b>162,077</b>	<b>398,164</b>	<b>455,962</b>

The Statement of Financial Activities includes all gains and losses recognised in the period.

All income and expenditure derive from continuing activities.

## Little Hearts Matter

(a company limited by guarantee, company number 06442071)

### Balance Sheet

As at 31 December 2023

		As at 31 December 2023 £	As at 31 December 2022 £
<b>Fixed assets</b>	<b>Notes</b>		
Intangible fixed assets	10	16,190	22,172
Tangible fixed assets	10	1,964	2,723
		<u>18,154</u>	<u>24,895</u>
<b>Current assets</b>			
Debtors	11	19,846	26,272
Cash at bank and in hand	12	385,563	422,434
		<u>405,409</u>	<u>448,706</u>
<b>Creditors: amounts falling due within one year</b>	13	(25,399)	(17,639)
Net current assets		<u>380,010</u>	<u>431,067</u>
<b>Net assets</b>		<u>398,164</u>	<u>455,962</u>
<b>Funds</b>			
Unrestricted:			
General	15	145,181	205,368
Designated	15	90,906	80,521
		<u>236,087</u>	<u>285,889</u>
Restricted	15,16	162,077	170,073
<b>Total Charity Funds</b>		<u>398,164</u>	<u>455,962</u>

For the year ended 31 December 2023 the Company was entitled to exemption from audit under section 477 of the Companies Act 2006 ('CA2006') relating to small companies.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2023 in accordance with Section 476 of the CA2006.

The Directors acknowledge their responsibilities for complying with the requirements of the CA2006 with respect to the accounting records and the preparation of the accounts.

These financial statements were approved by the Board of Directors on 20<sup>th</sup> June 2024 and signed on its behalf on 20<sup>th</sup> June 2024 by:



**W Manger**  
Chair  
Director



**D Baumber**  
Treasurer  
Director

## **Notes to the Financial Statements**

**Year ended 31 December 2023**

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### **1 Company status**

The Charity is a company limited by guarantee in England and Wales and does not have any share capital. The liability of the members is limited and shall not exceed £1 per member. Any surplus on winding up is to be donated to a charity whose objects are of a similar nature. The charitable company has taken advantage of section 60 of the Companies Act 2006 and deleted the word 'Limited' from its name.

### **2 Principal accounting policies**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's accounts.

#### **a) Basis of accounting**

The financial statements have been prepared in accordance with the Charities Act 2011 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' published in October 2019, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Charity has applied Update Bulletin 1 as published on 2 February 2016 and does not include a cash flow statement on the grounds that it is applying FRS 102 section 1A.

The Charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Preparation of the accounts on a going concern basis. The Charity reported a deficit of £57,798 during the year and had total funds of £398,164 including a cash balance of £385,563. The Trustees are of the view that on this basis the Charity is a going concern. The Trustees remain in regular contact with members and sponsoring bodies to secure their ongoing financial support.

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

#### **b) Income**

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

For legacies, entitlement is taken as the earlier of the date on which either the Charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executors to the Charity that a distribution will be made, or when a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the Charity has been notified of the executors' intention to make a distribution.

**Notes to the Financial Statements (continued)**

**Year ended 31 December 2023**

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**2 Principal accounting policies (continued)**

**c) Expenditure and irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

**d) Governance costs**

Governance costs comprise costs for the running of the Charity itself as an organisation.

**e) Stocks**

Stocks are valued at the lower of cost and net realisable value. Given the slow moving nature of the stocks, these balances have now been fully written off.

**f) 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.

**g) Tangible fixed assets and depreciation**

Tangible fixed assets are capitalised and included at cost including any incidental expenses of acquisition. Only items with a cost greater than £1,000 are capitalised with lower values expensed through the Statement of Financial Activities.

Fixed assets are depreciated at annual rates estimated to write off the cost over their expected working life on the following bases:

Fixtures and fittings	20%
Computer equipment	33%
Websites	20%

The original cost of websites is capitalised into fixed assets but ongoing maintenance and minor modifications are shown in the Statement of Financial Activities.

**h) Operating leases**

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

**i) Taxation**

Little Hearts Matter is registered as a Charity with the Charity Commission and under the provisions of Section 478 Corporation Tax Act 2010, is exempt from liability to taxation.

**j) Financial instruments**

The Charity only has financial assets and 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.

**k) Donated services**

The Board of Trustees also provide services to the Charity for day to day book-keeping, report production, payroll services, information production and other ad-hoc tasks. The Charity also has approximately 50 volunteers who lead regional groups, help provide the dedicated support line service and support administrative tasks in the office. In accordance with the Charities SORP (FRS 102), the general volunteer time of these groups has not been recognised in these accounts.

**Notes to the Financial Statements (continued)**

**Year ended 31 December 2023**

**2 Principal accounting policies (continued)**

**1) Critical accounting estimates and judgements**

In the application of the Charity'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 Profit on sale of merchandise**

	<b>Year ended 31 December 2023</b>	Year ended 31 December 2022
	£	£
Sales	5,177	4,725
Cost of sales (note 4)	<b>(2,887)</b>	(2,476)
<b>Net profit</b>	<b><u>2,290</u></b>	<b><u>2,249</u></b>

**4 Costs of generating funds**

	<b>Year ended 31 December 2023</b>	Year ended 31 December 2022
	£	£
LHM Events	3,854	2,576
Fundraising website charges	3,159	3,195
Cost of sales of merchandise (note 3)	2,887	2,476
Printing, travel and postage	594	704
Other	1,216	2,218
	<b><u>11,710</u></b>	<b><u>11,169</u></b>

**Notes to the Financial Statements (continued)**

**Year ended 31 December 2023**

**5 Charitable activities**

	<b>Year ended 31 December 2023</b>	Year ended 31 December 2022
	£	£
Staff costs	<b>260,285</b>	230,054
Rent and service charges	<b>50,052</b>	49,764
Open day / Summer event	<b>25,924</b>	22,152
Activity weekends	<b>17,974</b>	2,228
Newsletter	<b>14,583</b>	6,243
IT support & Licences	<b>14,561</b>	11,518
Recruitment	<b>13,349</b>	3,797
Database	<b>13,178</b>	13,230
Office move	<b>11,602</b>	-
Depreciation	<b>9,037</b>	8,685
Governance costs	<b>7,639</b>	5,928
Telephone	<b>7,223</b>	6,261
Awareness	<b>6,791</b>	337
Printing/photocopying	<b>4,685</b>	7,293
Insurance	<b>4,232</b>	2,787
Postage	<b>3,641</b>	2,983
Gifts	<b>2,878</b>	1,865
Meetings	<b>2,551</b>	1,621
Bereavement events	<b>2,509</b>	961
Training	<b>2,313</b>	4,555
Youth activities	<b>2,227</b>	3,697
Subscriptions	<b>2,132</b>	3,813
Travel and hotels	<b>1,565</b>	4,234
Pensions administration	<b>1,123</b>	1,123
Other costs	<b>10,693</b>	6,988
	<b><u>492,747</u></b>	<b><u>402,117</u></b>
Analysed as:		
Unrestricted: General	<b>358,688</b>	291,988
Unrestricted: Designated	<b>10,615</b>	4,479
Restricted	<b>123,444</b>	105,650
	<b><u>492,747</u></b>	<b><u>402,117</u></b>

**Notes to the Financial Statements (continued)**

**Year ended 31 December 2023**

**6 Governance costs**

	<b>Year ended 31 December 2023</b>	Year ended 31 December 2022
	£	£
Staff costs	<b>6,484</b>	5,108
Independent examiner's fee	<b>1,080</b>	820
Training	<b>75</b>	-
	<b><u>7,639</u></b>	<b><u>5,928</u></b>

The Trustee expenses have been apportioned to take account of meetings attended by the Trustees involved in day-to-day running of the Charity and the values above relate to travel to Trustee meetings. The staff costs are an apportionment based on estimated time.

Expenses relating to previous years included within creditors: amounts due within one year (note 13) have been released and treated as donations where claims have not been made.

The amount paid to the independent examiner for the independent examination in the year totalled £1,200 (2022: 1,200).

**7 Trustees' remuneration**

No remuneration has been paid to the members of the Board of Trustees. During the year no members of the Board of Trustees were reimbursed for travel expenses (2022: £nil). Where feasible the Charity incurs the cost directly for Trustee travel and accommodation expenses.

**8 Staff costs**

The aggregate cost of employment was as follows:

	<b>Year ended 31 December 2023</b>	Year ended 31 December 2022
	£	£
Wages and salaries	<b>243,273</b>	212,905
Social security costs	<b>17,469</b>	16,732
Pensions	<b>6,027</b>	5,525
	<b><u>266,769</u></b>	<b><u>235,162</u></b>
 The average number of employees was:		
Administration	<b><u>9</u></b>	<b><u>8</u></b>

No employees received benefits of more than £60,000.

The key management personnel of the Charity comprise the Trustees, the Chief Executive, the Head of Service, the Youth Leader and Head of Fundraising. The total employee benefits of the key management personnel were £107,811 (2022: £107,407).

Notes to the Financial Statements (continued)

Year ended 31 December 2023

9 Comparatives for the Statement of Financial Activities

	Note	Unrestricted Funds		Restricted Funds	Total funds for year ended 31 December 2022
		General	Designated		
		£	£	£	£
<b>Incoming resources</b>					
Donations		118,310	-	1,110	119,420
Fundraising		94,449	-	-	94,449
Corporate/grant funders		107,135	-	103,314	210,449
Tax refunds		14,412	-	-	14,412
Income from sale of merchandise	3	4,725	-	-	4,725
<b>Total incoming resources</b>		<b>339,031</b>	<b>-</b>	<b>104,424</b>	<b>443,455</b>
<b>Resources expended</b>					
Costs of generating funds	4	11,169	-	-	11,169
Charitable activities	5	291,988	4,479	105,650	402,117
<b>Total resources expended</b>		<b>303,157</b>	<b>4,479</b>	<b>105,650</b>	<b>413,286</b>
<b>Transfers between funds</b>		<b>(10,000)</b>	<b>10,000</b>	<b>-</b>	<b>-</b>
<b>Net movement in funds</b>		<b>25,874</b>	<b>5,521</b>	<b>(1,226)</b>	<b>30,169</b>
Fund balance at 31 December 2021		179,494	75,000	171,299	425,793
<b>Fund balance at 31 December 2022</b>		<b>205,368</b>	<b>80,521</b>	<b>170,073</b>	<b>455,962</b>

10 Tangible fixed assets

	Fixtures & fittings	Computer equipment	Total Tangible fixed assets	Intangible fixed assets: websites
	£	£	£	£
<b>Cost</b>				
At 1 January 2023	1,217	12,144	13,361	28,934
Additions	-	2,296	2,296	-
Disposals	-	(2,179)	(2,179)	-
<b>At 31 December 2023</b>	<b>1,217</b>	<b>12,261</b>	<b>13,478</b>	<b>28,934</b>
<b>Depreciation</b>				
At 1 January 2023	1,217	9,421	10,638	6,762
Charge for the year	-	3,055	3,055	5,982
Disposals	-	(2,179)	(2,179)	-
<b>At 31 December 2023</b>	<b>1,217</b>	<b>10,297</b>	<b>11,514</b>	<b>12,744</b>
<b>Net Book value</b>				
<b>At 31 December 2023</b>	<b>-</b>	<b>1,964</b>	<b>1,964</b>	<b>16,190</b>
At 31 December 2022	-	2,723	2,723	22,172

**Notes to the Financial Statements (continued)**

**Year ended 31 December 2023**

**11 Debtors**

	<b>As at 31 December 2023</b>	As at 31 December 2022
	£	£
Prepayments	<b>19,846</b>	26,272

**12 Cash at bank and in hand**

	<b>As at 31 December 2023</b>	As at 31 December 2022
	£	£
Current accounts	<b>385,484</b>	422,199
Cash in hand	<b>79</b>	235
	<b>385,563</b>	422,434

**13 Creditors: amounts falling due within one year**

	<b>As at 31 December 2023</b>	As at 31 December 2022
	£	£
Taxation and social security	<b>8,050</b>	5,064
Accruals	<b>17,349</b>	12,575
	<b>25,399</b>	17,639

**14 Leasing arrangements**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	<b>As at 31 December 2023</b>	As at 31 December 2022
	£	£
Within one year	<b>18,795</b>	-
Between one and five years	<b>126,195</b>	-
	<b>144,990</b>	-

**15 Analysis of net assets between funds**

	Restricted fund	Unrestricted funds	<b>As at 31 December 2023</b>	As at 31 December 2022
	£	£	£	£
Fixed assets	16,190	1,964	<b>18,154</b>	24,895
Net current assets	145,887	234,123	<b>380,010</b>	431,067
	<b>162,077</b>	<b>236,087</b>	<b>398,164</b>	<b>455,962</b>

**Notes to the Financial Statements (continued)**

**Year ended 31 December 2023**

**16 Analysis of charitable funds**

	As at 31 December 2022 £	Incoming resources £	Resources expended £	As at 31 December 2023 £
<b>Unrestricted funds:</b>				
General Fund	205,368	310,211	(370,398)	145,181
Designated Fund: Service	70,521	21,000	(9,297)	82,224
Designated Fund: Bursaries	10,000	-	(1,318)	8,682
	<u>285,889</u>	<u>331,211</u>	<u>(381,013)</u>	<u>236,087</u>
<b>Restricted funds:</b>				
Persimmon	35,220	-	(12,112)	23,108
Paul Hamlyn	34,714	33,000	(10,610)	57,104
Children in Need	18,002	35,019	(36,500)	16,521
Lottery Community Fund	16,142	36,534	(35,689)	16,987
Freddy Fund	9,335	595	-	9,930
Youth services	8,994	-	(2,530)	6,464
Barbara Ward	11,147	-	(4,971)	6,176
British Medical Association	4,697	-	(90)	4,607
Pears Foundation	8,500	8,500	(12,810)	4,190
St James's Place	5,544	-	(1,386)	4,158
Energy Project	3,391	-	(248)	3,143
DVS Foudnation	2,915	1,800	(2,400)	2,315
Jigzy	3,105	-	(1,339)	1,766
Other (each < £3,000)	8,367	-	(2,759)	5,608
	<u>170,073</u>	<u>115,448</u>	<u>(123,444)</u>	<u>162,077</u>
<b>Total funds</b>	<u><b>455,962</b></u>	<u><b>446,659</b></u>	<u><b>(504,457)</b></u>	<u><b>398,164</b></u>

The designated funds have been created to ensure that any shortfall in funding for the core services of LHM can met. This then provides continuity of support for the membership.

The restricted funds relate to the following:

Persimmon	These funds were provided during the pandemic to ensure the continuation of various key services to the membership both during and post the outbreak.
Paul Hamlyn	These funds have been provided to enable LHM to expand its services and provide dedicated services for adults with a single ventricle heart condition.
Children in Need	Funding for youth services including a dedicated youth support role.
Lottery Community Fund	This provides funding for social media service provision.
Freddy Fund	In memory of a child that died, this fund is used to support projects to inform and help the brothers and sisters of children born with single ventricle heart disease.
Youth services	This provides dedicated funds for youth events and also seed capital for the youth website development project.

**Notes to the Financial Statements (continued)****Year ended 31 December 2023****16 Analysis of charitable funds (continued)**

Barbara Ward Fund	These funds have been received to provide activity weekends for children and their siblings affected by a single ventricle heart condition.
British Medical Association	This funding has been provided to develop resources for young people, their families and their relevant healthcare professionals regarding the transition from child to adult medical support with a single ventricle heart condition.
Pears Foundation	Funds to support core work of online information and support.
St James Place	Funds provided to support children’s online services and information.
Energy Project	These are funds which have been received to support the Energy Project and describes the “spoons of energy” initiative which gives children a simple way to explain to others how their condition affects them on a day to day basis.
DVS Foundation	These funds have been provided to print and issue antenatal information packs helping families with a new diagnosis for their unborn child.
Jigzy	Funds have been provided to create and maintain a new comic to help the children affected by a single ventricle condition.

**17 Related Party Transactions**

The only related party transactions, other than expenses disclosed in note 7, have been monies received from the Trustees and their families as follows:

	<b>Year ended 31 December 2023</b>	Year ended 31 December 2022
	£	£
Donations	<b>300</b>	320
Merchandise	-	28
	<b>300</b>	348

**LITTLE HEARTS MATTER**

England & Wales - Charity number 1123290

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# Accounts

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**Little Hearts Matter**  
(a company limited by guarantee)

**Report and Financial Statements**

**Year ended 31 December 2022**

**Little Hearts Matter**  
(a company limited by guarantee)

**Contents**

**Year ended 31 December 2022**

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**Pages**

1 - 6	Trustees' Report
7	Independent Examiner's Report
8	Statement of Financial Activities
9	Balance Sheet
10 - 19	Notes to the Accounts

## **Little Hearts Matter**

(a company limited by guarantee)

### **Trustees' Report**

#### **Year ended 31 December 2022**

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The Trustees are pleased to present their annual Directors' report together with the financial statements of the Charity for the year ended 31 December 2022 which are also prepared to meet the requirements for a Directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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 published in October 2019.

#### **Chair's Report**

2022 has been a challenging year for the whole of the country and equally so for Little Hearts Matter ("LHM"). It has also been a rewarding year with support given to families at their moment of need.

The Trustee Board has changed since the year end, I have stepped up to the role of Chair with David Baumber moving to his previous role of Treasurer. He is replacing Peter Groves who has stepped down from the board after 16 years. I would like to take this opportunity to thank Peter for his time on the board supporting finance as well as both representing and supporting our bereaved members.

The office team have been exceptional in the face of ongoing Covid and cost of living challenges and again provided unwavering support to both the members and also to support the operation and income of the Charity.

The income uncertainty continued into 2022 but we have seen the levels grow compared to the previous year. Careful budgeting and planning, however, ensured that this has not impacted the services and support offered by the Charity. Through careful cost control, a surplus has been realised and this has enabled the Trustees to designate some of the general funds to provide bursaries to ensure all members can access the support of LHM.

Throughout these recent challenging years, children have continued to be born with a single ventricle heart; many have required surgery, some have sadly passed away and for others there has been considerable anxiety. Through all of this, the office team and support line volunteers have been there as a friend and shoulder to support children, young adults, parents, grandparents and friends. Further details of the support provided are included later in this report.

A clear highlight of the year was our first face-to-face open day since the start of Covid. This required careful planning to ensure safety for all attendees. The opportunities for families affected by a child with only half a heart to meet one another must always be taken and this was also the first event with a dedicated area for adults with half a heart.

Now at the end of 2022, LHM is in an exceptionally strong financial position and the continued support of the members, who provide the steer and direction of the Charity, is relatively assured. Our focus has therefore never been clearer, and I look forward to another rewarding year ahead.

*Warren Manger*

## **Little Hearts Matter**

(a company limited by guarantee)

### **Trustees' Report (continued)**

**Year ended 31 December 2022**

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#### **Objectives and Activities**

The objective of the Charity is to promote the relief and welfare of persons affected by congenital single ventricle cardiac disease and to advance the education of the medical profession and the general public on the subject of single ventricle cardiac disease and its implications for the family.

The main activities of the Charity in order to meet this objective are:

- providing support and advice via telephone helplines,
- putting families in touch with others with similar experiences through social media groups,
- creating information on diagnoses and treatments in an easy-to-understand format,
- organising education events for families to meet and learn from medical experts,
- raising the profile of these conditions to ensure our members' special needs are more widely understood,
- building relations within the medical world to increase awareness of single ventricle disorders,
- hosting events for the children and their families to experience new activities in a supportive and safe environment,
- funding and promoting research into these complex conditions and their treatments,
- mindfully providing specific bereavement support, and
- providing information and support for the children and young people themselves.

#### **Achievements and Performance**

2022 was a very positive year for Little Hearts Matter despite the impact of Covid. The core workload of the Charity continues to grow as the number of services expands alongside the size of the membership. Key achievements for the year include:

- A face-to-face open day – the first since the pandemic started,
- Similarly our first youth activity weekend since the start of Covid,
- Generation of a new Fontan pathway film to help all ages understand their surgical treatment,
- A new comic for 7 to 9 year olds,
- A new online hub to enable 11 to 17 year olds to safely chat online with each other,
- A new dedicated area on the website for adults affected by a single ventricle condition,
- New information to help families after their Fontan surgery,
- Sending 24 get well balloons after Fontan operations,
- Sending over 1,500 birthday cards to members with a single ventricle heart condition,
- Sending over 350 in memory cards to bereaved families.

## Little Hearts Matter

(a company limited by guarantee)

### Trustees' Report (continued)

#### Year ended 31 December 2022

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The Charity had 5,491 members as at 31 December 2021 (2021: 5,142).

#### Financial Review and Reserves Policy

It is the policy to maintain unrestricted funds at a level sufficient to cover management and administration costs, to respond to emergency applications for grants which arise from time to time as well as ongoing and future commitments approved by the Board of Trustees. The total reserves as at 31 December 2022 are £455,962 (2021: £425,793) of which £205,368 (2021: £179,494) relate to the general fund and £80,251 (2021: £75,000) have been designated. With the planned expansion of services to the membership, the Trustees have allocated £10,000 to a new Bursary designated fund to ensure all members are able to access the support offered by the Charity.

The Charity would like to maintain a general fund cash balance equating to between three and six months of expenditure from the unrestricted general fund. Based on the budgeted costs approved by the Board of Trustees for the year to 31 December 2022, the Charity has approximately six months (five months at 31 December 2021) of expenditure in the unrestricted general fund cash balance.

#### *Income*

LHM has received a total income of £443,455 which is 3% higher than the previous financial year (£429,962). Given the impact of Covid and the economic climate, the level of income in 2022 is deemed extremely satisfactory.

The Board of Trustees and office team are committed to ensuring that the level of income in the last two years is the new baseline to ensure the Charity can continue to expand its service offering to new families and to the young people affected by their life-changing medical conditions as they get older. With the forthcoming challenges of the cost of living crisis in the UK, the Trustees have a clear focus on income, acknowledge the challenges facing the members, friends and grant funders of LHM.

#### *Expenditure*

The overall expenditure of £413,286 shows an increase of 14% when compared to the prior year (£361,055). The increase was expected following staff recruitment during 2021 to provide extra dedicated services to our adult members, and also other roles moved from parttime to full time. This increase reflects the extra demand from and support provided to the membership.

Capital expenditure also increased to a level of £26,333 on the website to create a safe chat environment for teenagers, other age specific apps and computer equipment. The website and apps are again expanding the Charity's services and the way they are delivered to the membership.

#### Future Developments

The growth in the Charity membership in recent years has led to increased demand for the various services offered. One key focus area is the increasing age of the children with single ventricle conditions and this has led to the next stage of the Charity's strategy – "Creating a Better Future". The Charity will continue to provide and expand on the services to families of the younger affected children as well as to bereaved families but will look to build these services and develop new support into a full roadmap as the young people enter adulthood.

## Little Hearts Matter

(a company limited by guarantee)

### Trustees' Report (continued)

Year ended 31 December 2022

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#### Reference and administrative details

Charity number: 1123290  
Company number: 06442071  
Registered Office: 75 Harborne Road, 4th Floor, Edgbaston, Birmingham,  
West Midlands, B15 3BU

#### Our advisors

Bankers: Barclays Bank plc  
Colmore Row,  
Birmingham

Independent Examiner: David Williams FCA FCCA  
Institute of Chartered Accountants in England and Wales  
Locke Williams Associates LLP  
Chartered Accountants  
Blackthorn House  
St Pauls Square  
Birmingham  
West Midlands  
B3 1RL

Medical Adviser: Dr David Crossland

#### Trustees and Directors

The Directors of the charitable company (the Charity) are its Trustees for the purpose of charity law. The Trustees and Officers serving during the year and since the year end were as follows:

Chair: W Manger *(with effect from 22 April 2023, formerly D Baumber)*

Treasurer: D Baumber *(with effect from 22 April 2023, formerly P Groves)*

Other Trustees: I Baumber  
L Durkin  
J Lube  
H Palmer  
K Botham *(appointed 22 April 2023)*  
S Green *(appointed 22 April 2023)*  
P Groves *(resigned 22 April 2023, having not opted for re-election)*  
M O'Herlihy *(resigned 22 April 2023, having not opted for re-election)*  
A Pearce *(resigned 22 April 2023)*

#### Key Management Personnel

Chief Executive & Service Lead: Suzie Hutchinson

## **Little Hearts Matter**

(a company limited by guarantee)

### **Trustees' Report (continued)**

**Year ended 31 December 2022**

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#### **Structure, Governance and Management**

##### *Governing document*

The Company is limited by guarantee and is governed by its Memorandum and Articles of Association filed on 30 November 2007. The Company is also a Charity registered with the Charity Commission.

##### *Appointment of Trustees*

The Trustees of the Charity are appointed for a period of three years, at which point they must resign but are able to offer themselves for re-election at the Annual General Meeting if they so choose. Trustees can only be appointed at the Annual General Meeting by a majority vote of the members represented at the meeting and are proposed and seconded by current members of the Trustee Board.

##### *Trustee induction and training*

New Trustees receive a formal induction process whereby they spend at least one day in the Charity office to further understand the workings of the organisation. In addition to this they receive recent Charity Reports, financial reports and a binder explaining the full responsibilities of a Charity Trustee.

##### *Organisation*

At the quarterly Trustee meetings, the Trustees agree the broad strategy and areas of focus for the Charity. The day-to-day administration of the Charity is delegated to the Chief Executive who is given support by the Finance and General Purposes Committee, which consists of the Chair and two further Trustee members as well as the Chief Executive. The Committee meets every month.

#### **Risk Management**

The Board of Trustees has examined the major strategic, business and operational risks which the Charity has and confirms that systems have been established to enable a Risk Register to be produced so that the necessary steps can be taken to manage such risks.

Covid and the recovery from this virus combined with the cost of living crisis, continues to present challenges to the Charity and its membership. The financial position during 2021 and 2022 improved through tight cost control and support from various grant making bodies as well as the membership. This position then lessens the risk to LHM but the Trustee board and office team continue to monitor the situation closely and adapt as required.

## **Little Hearts Matter**

(a company limited by guarantee)

### **Trustees' Report (continued)**

**Year ended 31 December 2022**

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#### **Grant Making Policy**

The applications for funding of projects are reviewed by the Board of Trustees for approval.

#### **Public Benefit**

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities as well as setting the grant-making policy for the year.

#### **Trustees' responsibilities in relation to the Financial Statements**

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

Laws applicable to charitable companies in England and Wales require the Trustees and Directors to prepare financial statements for each financial period, which give a true and fair view of the charitable Company as at its balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial 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 in the Charities SORP,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charitable company will continue in operation.

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the charitable Company and enable them to ensure the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the Board of Trustees and signed on their behalf by:



**D Baumber**  
**Treasurer**

18 June 2023

## Little Hearts Matter

(a company limited by guarantee)

### Independent Examiner's Report to the Trustees of Little Hearts Matter

Year ended 31 December 2022

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I report to the charity trustees on my examination of the accounts of Little Hearts Matter (the Charity) for the year ended 31 December 2022.

#### Responsibilities and basis of report

As the charity trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### Independent Examiner's statement

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



David Williams FCA FCCA  
Institute of Chartered Accountants in England and Wales  
Locke Williams Associates LLP  
Chartered Accountants  
Blackthorn House  
St Pauls Square  
Birmingham  
West Midlands  
B3 1RL

19 June 2023

**Little Hearts Matter**  
(a company limited by guarantee)

**Statement of Financial Activities including Income and Expenditure Account**

**Year ended 31 December 2022**

	Note	Unrestricted Funds		Restricteds Funds £	Total funds for year ended 31 December 2022 £	Total funds for year ended 31 December 2021 £
		General £	Designated £			
<b>Incoming resources</b>						
Donations		118,310	-	1,110	119,420	80,351
Fundraising		94,449	-	-	94,449	124,357
Corporate/grant funders		107,135	-	103,314	210,449	200,748
Tax refunds		14,412	-	-	14,412	19,600
Income from sale of merchandise	3	4,725	-	-	4,725	4,906
<b>Total incoming resources</b>		<b>339,031</b>	<b>-</b>	<b>104,424</b>	<b>443,455</b>	<b>429,962</b>
<b>Resources expended</b>						
Costs of generating funds	4	11,169	-	-	11,169	16,034
Charitable activities	5	291,988	4,479	105,650	402,117	345,021
<b>Total resources expended</b>		<b>303,157</b>	<b>4,479</b>	<b>105,650</b>	<b>413,286</b>	<b>361,055</b>
<b>Transfers between funds</b>		<b>(10,000)</b>	<b>10,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net movement in funds</b>		<b>25,874</b>	<b>5,521</b>	<b>(1,226)</b>	<b>30,169</b>	<b>68,907</b>
Fund balance at 31 December 2021		179,494	75,000	171,299	425,793	356,886
<b>Fund balance at 31 December 2022</b>		<b>205,368</b>	<b>80,521</b>	<b>170,073</b>	<b>455,962</b>	<b>425,793</b>

The Statement of Financial Activities includes all gains and losses recognised in the period.

All income and expenditure derive from continuing activities.

## Little Hearts Matter

(a company limited by guarantee, company number 06442071)

### Balance Sheet

As at 31 December 2022

		As at 31 December 2022 £	As at 31 December 2021 £
<b>Fixed assets</b>			
Intangible fixed assets	9	22,172	3,122
Tangible fixed assets	9	<u>2,723</u>	<u>4,125</u>
		<u>24,895</u>	<u>7,247</u>
<b>Current assets</b>			
Debtors	10	26,272	24,317
Cash at bank and in hand	11	<u>422,434</u>	<u>404,546</u>
		<u>448,706</u>	<u>428,863</u>
<b>Creditors: amounts falling due within one year</b>	12	(17,639)	(10,317)
Net current assets		<u>431,067</u>	<u>418,546</u>
<b>Net assets</b>		<u>455,962</u>	<u>425,793</u>
<b>Funds</b>			
Unrestricted:			
General	13	205,368	179,494
Designated	13	<u>80,521</u>	<u>75,000</u>
		<u>285,889</u>	<u>254,494</u>
Restricted	13,14	<u>170,073</u>	<u>171,299</u>
<b>Total Charity Funds</b>		<u>455,962</u>	<u>425,793</u>

For the year ended 31 December 2022 the Company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2021 in accordance with Section 476 of the Companies Act 2006.

The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to the accounting records and the preparation of the accounts.

These financial statements were approved by the Board of Directors on 17 June 2023 and signed on its behalf on 18 June 2023 by:



**W Manger**  
Chair  
Director



**D Baumber**  
Treasurer  
Director

**Notes to the Financial Statements**

**Year ended 31 December 2022**

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**1 Company status**

The charity is a company limited by guarantee in England and Wales and does not have any share capital. The liability of the members is limited and shall not exceed £1 per member. Any surplus on winding up is to be donated to a charity whose objects are of a similar nature. The charitable company has taken advantage of section 60 of the Companies Act 2006 and deleted the word 'Limited' from its name.

**2 Principal accounting policies**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's accounts.

**a) Basis of accounting**

The financial statements have been prepared in accordance with the Charities Act 2011 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' published in October 2019, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Charity has applied Update Bulletin 1 as published on 2 February 2016 and does not include a cash flow statement on the grounds that it is applying FRS 102 section 1A.

The Charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Preparation of the accounts on a going concern basis. The Charity reported a surplus of £30,169 during the year and had total funds of £455,793 including a cash balance of £422,434. The Trustees are of the view that on this basis the charity is a going concern. The Trustees remain in regular contact with members and sponsoring bodies to secure their ongoing financial support.

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

**b) Income**

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

For legacies, entitlement is taken as the earlier of the date on which either the Charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executors to the Charity that a distribution will be made, or when a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the Charity has been notified of the executors' intention to make a distribution.

**Notes to the Financial Statements (continued)**

**Year ended 31 December 2022**

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**2 Principal accounting policies (continued)**

**c) Expenditure and irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

**d) Governance costs**

Governance costs comprise costs for the running of the Charity itself as an organisation.

**e) Stocks**

Stocks are valued at the lower of cost and net realisable value. Given the slow moving nature of the stocks, these balances have now been fully written off.

**f) 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.

**g) Tangible fixed assets and depreciation**

Tangible fixed assets are capitalised and included at cost including any incidental expenses of acquisition. Only items with a cost greater than £1,000 are capitalised with lower values expensed through the Statement of Financial Activities.

Fixed assets are depreciated at annual rates estimated to write off the cost over their expected working life on the following bases:

Fixtures and fittings	20%
Computer equipment	33%
Websites	20%

The original cost of websites is capitalised into fixed assets but ongoing maintenance and minor modifications are shown in the Statement of Financial Activities.

**h) Operating leases**

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

**i) Taxation**

Little Hearts Matter is registered as a Charity with the Charity Commission and under the provisions of Section 478 Corporation Tax Act 2010, is exempt from liability to taxation.

**j) Financial instruments**

The Charity only has financial assets and 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.

**k) Donated services**

The Board of Trustees also provide services to the Charity for day to day book-keeping, report production, payroll services, information production and other ad-hoc tasks. The Charity also has approximately 50 volunteers who lead regional groups, help provide the dedicated support line service and support administrative tasks in the office. In accordance with the Charities SORP (FRS 102), the general volunteer time of these groups has not been recognised in these accounts.

**Notes to the Financial Statements (continued)**

**Year ended 31 December 2022**

**2 Principal accounting policies (continued)**

**l) Critical accounting estimates and judgements**

In the application of the Charity's accounting policies, the Trustees 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 Profit on sale of merchandise**

	<b>Year ended 31 December 2022</b>	<b>Year ended 31 December 2021</b>
	<b>£</b>	<b>£</b>
Sales	<b>4,725</b>	4,906
Cost of sales (note 4)	<b>(2,476)</b>	(2,885)
<b>Net profit</b>	<b><u>2,249</u></b>	<u>2,021</u>

**4 Costs of generating funds**

	<b>Year ended 31 December 2022</b>	<b>Year ended 31 December 2021</b>
	<b>£</b>	<b>£</b>
LHM Events	<b>2,576</b>	4,385
Fundraising website charges	<b>3,195</b>	4,052
Cost of sales of merchandise (note 3)	<b>2,476</b>	2,885
Printing, travel and postage	<b>704</b>	1,445
Other	<b>2,218</b>	3,267
	<b><u>11,169</u></b>	<u>16,034</u>

**Notes to the Financial Statements (continued)**

**Year ended 31 December 2022**

**5 Charitable activities**

	Year ended 31 December 2022 £	Year ended 31 December 2021 £
Staff costs	230,054	188,205
Rent and service charges	49,764	47,952
Open day / Summer event	22,152	22,640
Database	13,230	6,162
IT support & Licences	11,518	11,251
Depreciation	8,685	4,395
Printing/photocopying	7,293	19,157
Telephone	6,261	5,600
Newsletter	6,243	5,123
Governance costs	5,928	6,570
Training	4,555	2,005
Travel and hotels	4,234	1,655
Subscriptions	3,813	1,937
Recruitment	3,797	694
Youth activities	3,697	2,239
Postage	2,983	3,254
Insurance	2,787	3,922
Activity weekends	2,228	-
Gifts	1,865	3,307
Meetings	1,621	391
Pensions administration	1,123	1,123
Bereavement events	961	2,670
Other costs	7,325	4,769
	<u>402,117</u>	<u>345,021</u>
Analysed as:		
Unrestricted: General	291,988	256,709
Unrestricted: Designated	4,479	-
Restricted	105,650	88,312
	<u>402,117</u>	<u>345,021</u>

**Notes to the Financial Statements (continued)**

**Year ended 31 December 2022**

**6 Governance costs**

	<b>Year ended 31 December 2022</b>	Year ended 31 December 2021
	£	£
Staff costs	<b>5,108</b>	4,885
Independent examiner's fee	<b>820</b>	1,685
	<b><u>5,928</u></b>	<u>6,570</u>

The Trustee expenses have been apportioned to take account of meetings attended by the Trustees involved in day-to-day running of the Charity and the values above relate to travel to Trustee meetings. The staff costs are an apportionment based on estimated time.

Expenses relating to previous years included within creditors: amounts due within one year (note 13) have been released and treated as donations where claims have not been made.

The amount paid to the independent examiner for the independent examination in the year totalled £1,200 (2021: 1,685).

**7 Trustees' remuneration**

No remuneration has been paid to the members of the Board of Trustees. During the year no members of the Board of Trustees were reimbursed for travel expenses (2021: £nil). Where feasible the Charity incurs the cost directly for Trustee travel and accommodation expenses.

**8 Staff costs**

The aggregate cost of employment was as follows:

	<b>Year ended 31 December 2022</b>	Year ended 31 December 2021
	£	£
Wages and salaries	<b>212,905</b>	177,161
Social security costs	<b>16,732</b>	11,004
Pensions	<b>5,525</b>	4,925
	<b><u>235,162</u></b>	<u>193,090</u>
The average number of employees was:		
Administration	<b><u>8</u></b>	<u>8</u>

No employees received benefits of more than £60,000.

The key management personnel of the Charity comprise the Trustees, the Chief Executive, the Youth Leader and Head of Fundraising. The total employee benefits of the key management personnel were £107,407 (2021: £102,428).

Notes to the Financial Statements (continued)

Year ended 31 December 2022

9 Comparatives for the Statement of Financial Activities

	Year ended 31 December 2021			
	Unrestricted Funds		Restricteds Funds	Total Funds
	General	Designated		
£	£	£	£	
<b>Incoming resources</b>				
Donations	79,191	-	1,160	80,351
Fundraising	124,357	-	-	124,357
Corporate/grant funders	103,922	-	96,826	200,748
Covid donations/grants	-	-	-	-
Tax refunds	19,600	-	-	19,600
Income from sale of merchandise	4,906	-	-	4,906
<b>Total incoming resources</b>	<b>331,976</b>	<b>-</b>	<b>97,986</b>	<b>429,962</b>
<b>Resources expended</b>				
Costs of generating funds	16,034	-	-	16,034
Charitable activities	256,709	-	88,312	345,021
<b>Total resources expended</b>	<b>272,743</b>	<b>-</b>	<b>88,312</b>	<b>361,055</b>
<b>Transfers between funds</b>	<b>(75,000)</b>	<b>75,000</b>	<b>-</b>	<b>-</b>
<b>Net movement in funds</b>	<b>(15,767)</b>	<b>75,000</b>	<b>9,674</b>	<b>68,907</b>
Total funds brought forward	195,261	-	161,625	356,886
<b>Total funds carried forward</b>	<b>179,494</b>	<b>75,000</b>	<b>171,299</b>	<b>425,793</b>

Notes to the Financial Statements (continued)

Year ended 31 December 2022

10 Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Total Tangible fixed assets £	Intangible fixed assets: websites £
<b>Cost</b>				
At 1 January 2022	1,217	10,843	12,060	3,902
Additions	-	1,301	1,301	25,032
Disposals	-	-	-	-
<b>At 31 December 2022</b>	<b>1,217</b>	<b>12,144</b>	<b>13,361</b>	<b>28,934</b>
<b>Depreciation</b>				
At 1 January 2022	1,217	6,718	7,935	780
Charge for the year	-	2,703	2,703	5,982
Disposals	-	-	-	-
<b>At 31 December 2022</b>	<b>1,217</b>	<b>9,421</b>	<b>10,638</b>	<b>6,762</b>
<b>Net Book value</b>				
<b>At 31 December 2022</b>	<b>-</b>	<b>2,723</b>	<b>2,723</b>	<b>22,172</b>
At 31 December 2021	-	4,125	4,125	3,122

11 Debtors

	As at 31 December 2022 £	As at 31 December 2021 £
Prepayments	26,272	24,317

12 Cash at bank and in hand

	As at 31 December 2022 £	As at 31 December 2021 £
Current accounts	422,199	403,840
Cash in hand	235	706
	<b>422,434</b>	<b>404,546</b>

## Little Hearts Matter

(a company limited by guarantee, company number 06442071)

### Notes to the Financial Statements (continued)

Year ended 31 December 2022

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

	As at 31 December 2022 £	As at 31 December 2021 £
Taxation and social security	5,064	4,857
Accruals	12,575	5,460
	<u>17,639</u>	<u>10,317</u>

#### 14 Analysis of net assets between funds

	Restricted fund £	Unrestricted funds £	As at 31 December 2022 £	As at 31 December 2021 £
Fixed assets	22,632	2,263	24,895	7,247
Net current assets	147,441	283,626	431,067	418,546
	<u>170,073</u>	<u>285,889</u>	<u>455,962</u>	<u>425,793</u>

#### 15 Analysis of charitable funds

	As at 31 December 2021 £	Incoming resources £	Transfers £	Resources expended £	As at 31 December 2022 £
<b>Unrestricted funds:</b>					
General Fund	179,494	339,031	(10,000)	(303,157)	205,368
Designated Fund: Service	75,000	-	-	(4,479)	70,521
Designated Fund: Bursaries	-	-	10,000	-	10,000
	<u>254,494</u>	<u>339,031</u>	<u>-</u>	<u>(307,636)</u>	<u>285,889</u>
<b>Restricted funds:</b>					
Persimmon - Covid	35,220	-	-	-	35,220
Paul Hamlyn - adult services	24,870	30,000	-	(20,156)	34,714
Children in Need	6,013	43,424	-	(31,435)	18,002
Lottery Community Fund	32,011	18,390	-	(34,259)	16,142
Barbara Ward	16,974	-	-	(5,827)	11,147
Freddy Fund	11,725	1,110	-	(3,500)	9,335
Youth services	15,039	-	(863)	(5,182)	8,994
Pears	-	8,500	-	-	8,500
St James's Place - Covid	6,930	-	-	(1,386)	5,544
British Medical Association	5,927	-	-	(1,230)	4,697
Energy Project	3,391	-	-	-	3,391
Jigzy	4,500	-	-	(1,395)	3,105
Lottery - In Memory	3,748	-	-	(961)	2,787
Other (each < £3,000 closing)	4,951	3,000	863	(319)	8,495
	<u>171,299</u>	<u>104,424</u>	<u>-</u>	<u>(105,650)</u>	<u>170,073</u>
<b>Total funds</b>	<u>425,793</u>	<u>443,455</u>	<u>-</u>	<u>(413,286)</u>	<u>455,962</u>

**Notes to the Financial Statements (continued)**

**Year ended 31 December 2022**

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**15 Analysis of charitable funds (continued)**

The designated funds have been created to ensure that any shortfall in funding for the core services of LHM can met. This then provides continuity of support for the membership.

The restricted funds relate to the following:

'Covid' Funds	These funds have been provided from various bodies to ensure the continuation of various key services to the membership during the recovery from the Covid 19 pandemic.
Paul Hamlyn	These funds have been provided to enable LHM to expand its services and provide dedicated services to adults with a single ventricle heart condition.
Children in Need	Funding for youth services including a dedicated youth support role.
Lottery Community Fund	This provides funding for Social Media Service provision.
Barbara Ward Fund	These funds have been received to provide activity weekends for the children and their siblings affected by a single ventricle heart condition.
Freddy Fund	In memory of a child that died, this fund is used to support projects to inform and help the brothers and sisters of children born with single ventricle heart disease.
Youth services	This provides dedicated funds for youth events and also seed capital for the youth website development project.
Pears	Funds to support the digital environment to facilitate controlled chat groups, enhanced search engine techniques and web-site development.
British Medical Association	This funding has been provided to develop resources for young people, their families and their relevant healthcare professionals regarding the transition from child to adult medical support with a single ventricle heart condition.
Energy Project	These are funds which have been received to support the Energy Project and describes the "spoons of energy" initiative which gives children a simple way to explain to others how their condition affects them day to day.
Jigzy	Funds have been provided to create and maintain a new comic to help the children affected by a single ventricle condition.
Lottery – In Memory	This fund supports the memorial events provided by LHM.

**16 Commitments**

The Charity has no ongoing capital commitments as at 31 December 2022.

**Little Hearts Matter**

(a company limited by guarantee, company number 06442071)

**Notes to the Financial Statements (continued)**

**Year ended 31 December 2022**

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**17 Related Party Transactions**

The only related party transactions, other than expenses disclosed in note 7, have been monies received from the Trustees and their families as follows:

	<b>Year ended 31 December 2022</b>	<b>Year ended 31 December 2021</b>
	£	£
Donations	<b>320</b>	425
Merchandise	<b>28</b>	101
	<b>348</b>	<b>526</b>

**LITTLE HEARTS MATTER**

England & Wales - Charity number 1123290

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# Accounts

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**Little Hearts Matter**  
(a company limited by guarantee)

**Report and Financial Statements**

**Year ended 31 December 2021**

**Little Hearts Matter**  
(a company limited by guarantee)

**Contents**

**Year ended 31 December 2021**

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**Pages**

1 - 6	Trustees' Report
7	Independent Examiner's Report
8	Statement of Financial Activities
9	Balance Sheet
10 - 19	Notes to the Accounts

## **Little Hearts Matter**

(a company limited by guarantee)

### **Trustees' Report**

#### **Year ended 31 December 2021**

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The Trustees are pleased to present their annual Directors' report together with the financial statements of the Charity for the year ended 31 December 2021 which are also prepared to meet the requirements for a Directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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 published in October 2019.

#### **Chair's Report**

2021 has been a challenging year for the whole of the country and equally so for Little Hearts Matter ("LHM"). It has also been a rewarding year with support given to families at their moment of need and also the ability to hold a face to face event for the first time in eighteen months.

The office team have been exceptional in the face of ongoing Covid challenges and again provided unwavering support to both the members and also to support the operation and income of the Charity.

The income uncertainty continued and despite the great work of the team and friends of LHM, this has fallen for the first time in three years. Careful budgeting and planning, however, ensured that this has not impacted the services and support offered by the Charity. Through careful cost control, a surplus has been realised and this has enabled the Trustees to designate some of the general funds for future service costs. This fund provides continuity to enable further dedicated resource to be brought in to support the members over and above those funds provided by various grant providers.

Throughout the Covid pandemic, children have continued to be born with a single ventricle heart; many have required surgery, some have sadly passed away and for others there has been considerable anxiety. Throughout all of this, the office team and support line volunteers have been there as a friend and shoulder to support children, young adults, parents, grandparents and friends. Further details of the support provided are included later in this report.

A clear highlight of the year was the summer party/event. This required careful planning to ensure safety for all attendees and with all of the activities for many families who opted to stay for the whole weekend. The opportunities for families affected by a child with only half a heart to meet one another must always be taken. The happy faces on both children and adults alike combined with the formal feedback received shows the importance of these events in order to reduce the isolation and fear which so many face.

Now at the end of 2021, LHM is in an exceptionally strong financial position and the continued support of the members, who provide the steer and direction of the Charity, is relatively assured. Our focus has therefore never been clearer, and I look forward to another rewarding year ahead.

*David Baumber*

## **Little Hearts Matter**

(a company limited by guarantee)

### **Trustees' Report (continued)**

**Year ended 31 December 2021**

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#### **Objectives and Activities**

The objective of the Charity is to promote the relief and welfare of persons affected by congenital single ventricle cardiac disease and to advance the education of the medical profession and the general public on the subject of single ventricle cardiac disease and its implications for the family.

The main activities of the Charity in order to meet this objective are:

- providing support and advice via telephone helplines,
- putting families in touch with others with similar experiences through social media groups,
- creating information on diagnoses and treatments in an easy-to-understand format,
- organising education events for families to meet and learn from medical experts,
- raising the profile of these conditions to ensure our members' special needs are more widely understood,
- building relations within the medical world to increase awareness of single ventricle disorders,
- hosting events for the children and their families to experience new activities in a supportive and safe environment,
- funding and promoting research into these complex conditions and their treatments,
- mindfully providing specific bereavement support, and
- providing information and support for the children and young people themselves.

#### **Achievements and Performance**

2021 was a very positive year for Little Hearts Matter despite the impact of Covid. The core workload of the Charity continues to grow as the number of services expands alongside the size of the membership. Key achievements for the year include:

- Family summer event and activity weekend,
- Virtual open day which also include international speakers,
- New booklet for siblings preparing for a baby with a single ventricle heart condition,
- Updated condition information available to the members,
- Children in Need grant to support the Head of Youth Service role,
- Virtual music event with acts performing from all around the country which was watched by 70,000 people,
- 100,000 interactions with the May Awareness week My Normal is Different,
- Sending 32 get well balloons after Fontan operations,
- Sending over 1,000 birthday cards to members with a single ventricle heart condition.

## **Little Hearts Matter**

(a company limited by guarantee)

### **Trustees' Report (continued)**

#### **Year ended 31 December 2021**

---

The Charity had 5,142 members as at 31 December 2021 (2020: 4,790).

#### **Financial Review and Reserves Policy**

It is the policy to maintain unrestricted funds at a level sufficient to cover management and administration costs, to respond to emergency applications for grants which arise from time-to-time as well as ongoing and future commitments approved by the Board of Trustees. The total reserves as at 31 December 2021 are £425,793 (2020: £356,886) of which £179,494 (2020: £195,261) relate to the general fund and £75,000 (2020: £nil) have been designated. With the planned expansion of services to the membership, the Trustees have allocated £75,000 to a new Services designated fund to ensure continuity of support for these vulnerable people.

The Charity would like to maintain a general fund cash balance equating to between three and six months of expenditure from the general fund. Based on the budgeted costs approved by the Board of Trustees for the year to 31 December 2021, the Charity has approximately five months (seven months at 31 December 2020) of expenditure in the general fund cash balance.

#### *Income*

LHM has received a total income of £429,962 which is 9% lower than the previous financial year (£470,036). Given the impact of Covid and the economic climate, the level of income in 2021 is deemed extremely satisfactory. There was a noticeable change in income sources during 2021 with cessation of Covid grants partly offset by increases in fundraising and other forms of grant income.

The Board of Trustees and office team are committed to ensuring that the level of income in the last two years is the new baseline to ensure the charity can continue to expand its service offering to new families and to the young people affected by their life-changing medical conditions as they get older. As the country adapts to the long-term consequences of Covid, it is expected that the income will revert to the historic sources with significant amounts of membership-driven fundraising.

#### *Expenditure*

The overall expenditure of £361,055 shows an increase of 5% when compared to the prior year (£344,694). The Trustees and office team took a strict view on costs once the first national lockdown was declared in March 2020. As the country showed signs of recovery in 2021 a key support event referred to as the Summer Party was held which was a highly successful way for families affected by a single ventricle heart condition to meet and support one another.

Further services have been expanded with a new team member joining reflecting the support needed by an increasing number of adults with a single ventricle heart condition as well as the printing of various publications. Staff costs decreased during the year in response to Covid but with the expansion of services and the designated funds, these are forecast to grow in the future.

#### **Future Developments**

The growth in the Charity membership in recent years has led to increased demand for the various services offered. One key focus area is the increasing age of the children with single ventricle conditions and this has led to the next stage of the Charity's strategy – "Creating a Better Future". The Charity will continue to provide and expand on the services to families of the younger affected children as well as to bereaved families but will look to build these services and develop new support into a full roadmap as the young people enter adulthood.

## Little Hearts Matter

(a company limited by guarantee)

### Trustees' Report (continued)

Year ended 31 December 2021

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#### Reference and administrative details

Charity number: 1123290  
Company number: 06442071  
Registered Office: 75 Harborne Road, 4th Floor, Edgbaston, Birmingham,  
West Midlands, B15 3BU

#### Our advisors

Bankers: Barclays Bank plc  
Colmore Row,  
Birmingham

Independent Examiner: David Williams FCA FCCA  
Institute of Chartered Accountants in England and Wales  
Locke Williams Associates LLP  
Chartered Accountants  
Blackthorn House  
St Pauls Square  
Birmingham  
West Midlands  
B3 1RL

Medical Adviser: Dr David Crossland

#### Trustees and Directors

The Directors of the charitable company (the Charity) are its Trustees for the purpose of charity law. The Trustees and Officers serving during the year and since the year end were as follows:

Chair: D Baumber

Treasurer: P Groves

Other Trustees: I Baumber  
J Lube  
W Manger  
M O'Herlihy  
L Durkin (*appointed 8<sup>th</sup> May 2021*)  
H Palmer (*appointed 8<sup>th</sup> May 2021*)  
A Pearce (*appointed 8<sup>th</sup> May 2021*)  
G Wallis (*resigned 8<sup>th</sup> May 2021, having not opted for re-election*)

#### Key Management Personnel

Chief Executive & Service Lead: Suzie Hutchinson

## **Little Hearts Matter**

(a company limited by guarantee)

### **Trustees' Report (continued)**

**Year ended 31 December 2021**

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#### **Structure, Governance and Management**

##### *Governing document*

The Company is limited by guarantee and is governed by its Memorandum and Articles of Association filed on 30 November 2007. The Company is also a Charity registered with the Charity Commission.

##### *Appointment of Trustees*

The Trustees of the Charity are appointed for a period of three years, at which point they must resign but are able to offer themselves for re-election at the Annual General Meeting if they so choose. Trustees can only be appointed at the Annual General Meeting by a majority vote of the members represented at the meeting and are proposed and seconded by current members of the Trustee Board.

##### *Trustee induction and training*

New Trustees receive a formal induction process whereby they spend at least one day in the Charity office to further understand the workings of the organisation. In addition to this they receive recent Charity Reports, financial reports and a binder explaining the full responsibilities of a Charity Trustee.

##### *Organisation*

At the quarterly Trustee meetings, the Trustees agree the broad strategy and areas of focus for the Charity. The day-to-day administration of the Charity is delegated to the Chief Executive who is given support by the Finance and General Purposes Committee, which consists of the Chair and two further Trustee members as well as the Chief Executive. The Committee meets every month.

#### **Risk Management**

The Board of Trustees has examined the major strategic, business and operational risks which the Charity has and confirms that systems have been established to enable a Risk Register to be produced so that the necessary steps can be taken to manage such risks.

Covid and the recovery from this virus, continues to present challenges to the Charity and its membership. The financial position during 2020 and 2021 improved through tight cost control and support from various grant making bodies as well as the membership. This position then lessens the risk to LHM but the Trustee board and office team continue to monitor the situation closely and adapt as required.

## **Little Hearts Matter**

(a company limited by guarantee)

### **Trustees' Report (continued)**

**Year ended 31 December 2021**

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#### **Grant Making Policy**

The applications for funding of projects are reviewed by the Board of Trustees for approval.

#### **Public Benefit**

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities as well as setting the grant-making policy for the year.

#### **Trustees' responsibilities in relation to the Financial Statements**

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

Laws applicable to charitable companies in England and Wales require the Trustees and Directors to prepare financial statements for each financial period, which give a true and fair view of the charitable Company as at its balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial 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 in the Charities SORP,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charitable company will continue in operation.

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the charitable Company and enable them to ensure the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the Board of Trustees and signed on their behalf by:



**P Groves**  
**Treasurer**

12 July 2022

## Little Hearts Matter

(a company limited by guarantee)

### Independent Examiner's Report to the Trustees of Little Hearts Matter

Year ended 31 December 2021

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I report to the charity trustees on my examination of the accounts of Little Hearts Matter (the Charity) for the year ended 31 December 2021.

#### Responsibilities and basis of report

As the charity trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

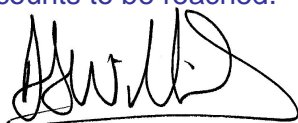
#### Independent Examiner's statement

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



David Williams FCA FCCA  
Institute of Chartered Accountants in England and Wales  
Locke Williams Associates LLP  
Chartered Accountants  
Blackthorn House  
St Pauls Square  
Birmingham  
West Midlands  
B3 1RL

12 July 2022

**Little Hearts Matter**  
(a company limited by guarantee)

**Statement of Financial Activities including Income and Expenditure Account**

**Year ended 31 December 2021**

	Note	Unrestricted Funds		Restricteds Funds	Total funds for year ended 31 December 2021	Total funds for year ended 31 December 2020
		General £	Designated £			
<b>Incoming resources</b>						
Donations		79,191	-	1,160	<b>80,351</b>	84,372
Fundraising		124,357	-	-	<b>124,357</b>	89,276
Corporate/grant funders		103,922	-	96,826	<b>200,748</b>	172,667
Covid donations/grants		-	-	-	-	95,652
Tax refunds		19,600	-	-	<b>19,600</b>	25,493
Income from sale of merchandise	3	4,906	-	-	<b>4,906</b>	2,576
<b>Total incoming resources</b>		<b>331,976</b>	<b>-</b>	<b>97,986</b>	<b>429,962</b>	<b>470,036</b>
<b>Resources expended</b>						
Costs of generating funds	4	16,034	-	-	<b>16,034</b>	8,117
Charitable activities	5	256,709	-	88,312	<b>345,021</b>	336,577
<b>Total resources expended</b>		<b>272,743</b>	<b>-</b>	<b>88,312</b>	<b>361,055</b>	<b>344,694</b>
<b>Transfers between funds</b>		<b>(75,000)</b>	<b>75,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net movement in funds</b>		<b>(15,767)</b>	<b>75,000</b>	<b>9,674</b>	<b>68,907</b>	<b>125,342</b>
Fund balance at 31 December 2020		195,261	-	161,625	<b>356,886</b>	231,544
<b>Fund balance at 31 December 2021</b>		<b>179,494</b>	<b>75,000</b>	<b>171,299</b>	<b>425,793</b>	<b>356,886</b>

The Statement of Financial Activities includes all gains and losses recognised in the period.

All income and expenditure derive from continuing activities.

## Little Hearts Matter

(a company limited by guarantee, company number 06442071)

### Balance Sheet

As at 31 December 2021

		As at 31 December 2021 £	As at 31 December 2020 £
<b>Fixed assets</b>			
Intangible fixed assets	10	3,122	-
Tangible fixed assets	10	4,125	2,172
		<u>7,247</u>	<u>2,172</u>
<b>Current assets</b>			
Debtors	11	24,317	13,733
Cash at bank and in hand	12	404,546	349,500
		<u>428,863</u>	<u>363,233</u>
<b>Creditors: amounts falling due within one year</b>	13	<b>(10,317)</b>	<b>(8,519)</b>
Net current assets		<u>418,546</u>	<u>354,714</u>
<b>Net assets</b>		<u>425,793</u>	<u>356,886</u>
<b>Funds</b>			
Unrestricted:			
General	14	179,494	195,261
Designated	14	75,000	-
		<u>254,494</u>	<u>195,261</u>
Restricted	14, 15	<u>171,299</u>	<u>161,625</u>
<b>Total Charity Funds</b>		<u>425,793</u>	<u>356,886</u>

For the year ended 31 December 2021 the Company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2021 in accordance with Section 476 of the Companies Act 2006.

The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to the accounting records and the preparation of the accounts.

These financial statements were approved by the Board of Directors on 18<sup>th</sup> June 2022 and signed on its behalf on 12<sup>th</sup> July 2022 by:



**D Baumber**  
Chair  
Director



**P Groves**  
Treasurer  
Director

**Notes to the Financial Statements**

**Year ended 31 December 2021**

---

**1 Company status**

The charity is a company limited by guarantee in England and Wales and does not have any share capital. The liability of the members is limited and shall not exceed £1 per member. Any surplus on winding up is to be donated to a charity whose objects are of a similar nature. The charitable company has taken advantage of section 60 of the Companies Act 2006 and deleted the word 'Limited' from its name.

**2 Principal accounting policies**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's accounts.

**a) Basis of accounting**

The financial statements have been prepared in accordance with the Charities Act 2011 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' published in October 2019, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Charity has applied Update Bulletin 1 as published on 2 February 2016 and does not include a cash flow statement on the grounds that it is applying FRS 102 section 1A.

The Charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Preparation of the accounts on a going concern basis. The charity reported a surplus of £68,907 during the year, had total funds of £425,793 and cash balances of £404,546. The Trustees are of the view that on this basis the charity is a going concern. The trustees remain in regular contact with members and sponsoring bodies to secure their ongoing financial support.

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

**b) Income**

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

For legacies, entitlement is taken as the earlier of the date on which either the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executors to the charity that a distribution will be made, or when a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executors' intention to make a distribution.

The charity received no grants related to the coronavirus job retention scheme during the year (2020: £26,602).

**Notes to the Financial Statements (continued)**

**Year ended 31 December 2021**

---

**2 Principal accounting policies (continued)**

**c) Expenditure and irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

**d) Governance costs**

Governance costs comprise costs for the running of the Charity itself as an organisation.

**e) Stocks**

Stocks are valued at the lower of cost and net realisable value. Given the slow moving nature of the stocks, these balances have now been fully written off.

**f) 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.

**g) Tangible fixed assets and depreciation**

Tangible fixed assets are capitalised and included at cost including any incidental expenses of acquisition. Only items with a cost greater than £1,000 are capitalised with lower values expensed through the Statement of Financial Activities.

Fixed assets are depreciated at annual rates estimated to write off the cost over their expected working life on the following bases:

Fixtures and fittings	20%
Computer equipment	33%
Websites	20%

The original cost of websites is capitalised into fixed assets but ongoing maintenance and minor modifications are shown in the Statement of Financial Activities.

**h) Operating leases**

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

**i) Taxation**

Little Hearts Matter is registered as a Charity with the Charity Commission and under the provisions of Section 478 Corporation Tax Act 2010, is exempt from liability to taxation.

**j) Financial instruments**

The Charity only has financial assets and 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.

**k) Donated services**

The Board of Trustees also provide services to the Charity for day to day book-keeping, report production, payroll services, information production and other ad-hoc tasks. The Charity also has approximately 50 volunteers who lead regional groups, help provide the dedicated support line service and support administrative tasks in the office. In accordance with the Charities SORP (FRS 102), the general volunteer time of these groups has not been recognised in these accounts.

**Notes to the Financial Statements (continued)**

**Year ended 31 December 2021**

**2 Principal accounting policies (continued)**

**l) Critical accounting estimates and judgements**

In the application of the charity's accounting policies, the trustees 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 Profit on sale of merchandise**

	<b>Year ended 31 December 2021</b>	Year ended 31 December 2020
	£	£
Sales	4,906	2,576
Cost of sales (note 4)	<b>(2,885)</b>	<b>(1,162)</b>
<b>Net profit</b>	<b><u>2,021</u></b>	<b><u>1,414</u></b>

**4 Costs of generating funds**

	<b>Year ended 31 December 2021</b>	Year ended 31 December 2020
	£	£
LHM Events	4,385	514
Fundraising website charges	4,052	3,108
Cost of sales of merchandise (note 3)	2,885	1,162
Printing, travel and postage	1,445	872
Other	3,267	2,461
	<b><u>16,034</u></b>	<b><u>8,117</u></b>

**Notes to the Financial Statements (continued)**

**Year ended 31 December 2021**

**5 Charitable activities**

	Year ended 31 December 2021 £	Year ended 31 December 2020 £
Staff costs	188,205	208,278
Rent and service charges	47,952	48,043
Open day / Summer event	22,640	6,496
Printing/photocopying	19,157	8,360
IT support & Licences	11,251	11,922
Governance costs	6,570	6,772
Database	6,162	4,359
Telephone	5,600	3,768
Newsletter	5,123	3,971
Depreciation	4,395	5,223
Insurance	3,922	2,408
Gifts	3,307	2,881
Postage	3,254	6,273
Bereavement events	2,670	143
Youth activities	2,239	1,328
Training	2,005	1,363
Subscriptions	1,937	1,946
Travel and hotels	1,655	347
Pensions administration	1,123	1,123
Public awareness	900	2,302
Membership roadshow	-	1,747
Activity weekends	-	1,080
Other costs	4,954	6,444
	<b>345,021</b>	<b>336,577</b>
Analysed as:		
Unrestricted: General	256,709	259,043
Unrestricted: Designated	-	-
Restricted	88,312	77,534
	<b>345,021</b>	<b>336,577</b>

## Little Hearts Matter

(a company limited by guarantee, company number 06442071)

### Notes to the Financial Statements (continued)

Year ended 31 December 2021

#### 6 Governance costs

	Year ended 31 December 2021	Year ended 31 December 2020
	£	£
Staff costs	4,885	4,943
Independent examiner's fee	1,685	1,625
Trustee expenses	-	123
Training	-	81
	<u>6,570</u>	<u>6,772</u>

The Trustee expenses have been apportioned to take account of meetings attended by the Trustees involved in day-to-day running of the Charity and the values above relate to travel to Trustee meetings. The staff costs are an apportionment based on estimated time.

Expenses relating to previous years included within creditors: amounts due within one year (note 13) have been released and treated as donations where claims have not been made.

The amount paid to the independent examiner for the independent examination in the year totalled £1,685 (2020: 1,625).

#### 7 Trustees' remuneration

No remuneration has been paid to the members of the Board of Trustees. During the year no members of the Board of Trustees was reimbursed for travel expenses (2020: £nil). Where feasible the Charity incurs the cost directly for Trustee travel and accommodation expenses.

#### 8 Staff costs

The aggregate cost of employment was as follows:

	Year ended 31 December 2021	Year ended 31 December 2020
	£	£
Wages and salaries	177,161	194,822
Social security costs	11,004	12,609
Pensions	4,925	5,790
	<u>193,090</u>	<u>213,221</u>
The average number of employees was:		
Administration	<u>8</u>	<u>9</u>

No employees received benefits of more than £60,000.

The key management personnel of the Charity comprise the Trustees, the Chief Executive, the Youth Leader and Fundraising Manager. The total employee benefits of the key management personnel were £102,428 (2020: £105,276).

Notes to the Financial Statements (continued)

Year ended 31 December 2021

9 Comparatives for the Statement of Financial Activities

	Year ended 31 December 2020		
	Unrestricted Funds £	Restricted Funds £	Total Funds £
<b>Incoming resources</b>			
Donations	81,797	2,575	<b>84,372</b>
Fundraising	89,276	-	<b>89,276</b>
Corporate/grant funders	86,899	85,768	<b>172,667</b>
Covid donations/grants	26,602	69,050	<b>95,652</b>
Tax refunds	25,493	-	<b>25,493</b>
Income from sale of merchandise	2,576	-	<b>2,576</b>
<b>Total incoming resources</b>	<b>312,643</b>	<b>157,393</b>	<b>470,036</b>
<b>Resources expended</b>			
Costs of generating funds	8,117	-	<b>8,117</b>
Charitable activities	259,043	77,534	<b>336,577</b>
<b>Total resources expended</b>	<b>267,160</b>	<b>77,534</b>	<b>344,694</b>
<b>Net movement in funds</b>	<b>45,483</b>	<b>79,859</b>	<b>125,342</b>
Total funds brought forward	149,778	81,766	<b>231,544</b>
<b>Total funds carried forward</b>	<b>195,261</b>	<b>161,625</b>	<b>356,886</b>

**Little Hearts Matter**

(a company limited by guarantee, company number 06442071)

**Notes to the Financial Statements (continued)****Year ended 31 December 2021****10 Tangible fixed assets**

	Fixtures and fittings £	Computer equipment £	Total Tangible fixed assets £	Intangible fixed assets: websites £
<b>Cost</b>				
At 1 January 2021	1,217	9,557	10,774	12,481
Additions	-	5,568	5,568	3,902
Disposals	-	(4,282)	(4,282)	(12,481)
<b>At 31 December 2021</b>	<b>1,217</b>	<b>10,843</b>	<b>12,060</b>	<b>3,902</b>
<b>Depreciation</b>				
At 1 January 2021	1,217	7,385	8,602	12,481
Charge for the year	-	3,615	3,615	780
Disposals	-	(4,282)	(4,282)	(12,481)
<b>At 31 December 2021</b>	<b>1,217</b>	<b>6,718</b>	<b>7,935</b>	<b>780</b>
<b>Net Book value</b>				
<b>At 31 December 2021</b>	<b>-</b>	<b>4,125</b>	<b>4,125</b>	<b>3,122</b>
At 31 December 2020	-	2,172	2,172	-

**11 Debtors**

	As at 31 December 2021 £	As at 31 December 2020 £
Prepayments	24,317	13,733

**12 Cash at bank and in hand**

	As at 31 December 2021 £	As at 31 December 2020 £
Current accounts	403,840	348,537
Cash in hand	706	963
	<b>404,546</b>	<b>349,500</b>

## Little Hearts Matter

(a company limited by guarantee, company number 06442071)

### Notes to the Financial Statements (continued)

Year ended 31 December 2021

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

	As at 31 December 2021 £	As at 31 December 2020 £
Taxation and social security	4,857	3,173
Accruals	5,460	5,346
	<u>10,317</u>	<u>8,519</u>

#### 14 Analysis of net assets between funds

	Restricted fund £	Unrestricted funds £	As at 31 December 2021 £	As at 31 December 2020 £
Fixed assets	4,042	3,205	7,247	2,172
Net current assets	167,257	251,289	418,546	354,714
	<u>171,299</u>	<u>254,494</u>	<u>425,793</u>	<u>356,886</u>

#### 15 Analysis of charitable funds

	As at 31 December 2020 £	Incoming resources <sup>1</sup> £	Resources expended £	As at 31 December 2021 £
<b>Unrestricted funds:</b>				
General Fund	195,261	256,976	(272,743)	179,494
Designated Fund	-	75,000		75,000
	<u>195,261</u>	<u>331,976</u>	<u>(272,743)</u>	<u>254,494</u>
<b>Restricted funds:</b>				
Persimmon - Covid	50,000	-	(14,780)	35,220
Lottery Community Fund	29,707	34,155	(31,851)	32,011
Paul Hamlyn - adult services	-	30,000	(5,130)	24,870
Barbara Ward	10,116	7,000	(142)	16,974
Youth services	15,603	-	(564)	15,039
Freddy Fund	10,565	1,160	-	11,725
St James's Place - Covid	6,930	-	-	6,930
Children in Need	603	21,171	(15,761)	6,013
British Medical Association	10,000	-	(4,073)	5,927
Jigzy		4,500	-	4,500
Lottery - In Memory	6,650	-	(2,902)	3,748
Energy Project	3,391	-	-	3,391
Theo Walker	1,177	-	-	1,177
Medical Information Fund	5,500	-	(5,500)	-
Lottery - Covid	4,905	-	(4,905)	-
Brave Heart Awards	2,031	-	(2,031)	-
Children in Need - Covid	673	-	(673)	-
Other	3,774	-	-	3,774
	<u>161,625</u>	<u>97,986</u>	<u>(88,312)</u>	<u>171,299</u>
<b>Total funds</b>	<u>356,886</u>	<u>429,962</u>	<u>(361,055)</u>	<u>425,793</u>

<sup>1</sup> For ease of understanding, the transfer between the general and designated funds has been presented within income resources,

**Notes to the Financial Statements (continued)**

**Year ended 31 December 2021**

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**15 Analysis of charitable funds (continued)**

The designated funds have been created to ensure that any shortfall in funding for the core services of LHM can met. This then provides continuity of support for the membership.

The restricted funds relate to the following:

'Covid' Funds	These funds have been provided from various bodies to ensure the continuation of various key services to the membership during the recovery from the Covid 19 pandemic.
Lottery Community Fund	This provides funding for Social Media Service provision.
Paul Hamlyn	These funds have been provided to enable LHM to expand its services and provide dedicated services to adults with a single ventricle heart condition.
Barbara Ward Fund	These funds have been received to provide activity weekends for the children and their siblings, affected by a single ventricle heart condition.
Youth services	This provides dedicated funds for youth events and also seed capital for the youth website development project.
Freddy Fund	In memory of a child that died, this fund is used to support projects to inform and help the brothers and sisters of children born with single ventricle heart disease.
Children in Need	Funding for youth services including a dedicated Youth Officer.
British Medical Association	This funding has been provided to develop resources for young people, their families and their relevant healthcare professionals regarding the transition from child to adult medical support with a single ventricle heart condition.
Lottery – In Memory	This fund supports the memorial events provided by LHM.
Energy Project	These are funds which have been received to support the Energy Project and describes the “spoons of energy” initiative which gives children a simple way to explain to others how their condition affects them day to day.
Theo Walker Fund	In memory of a child that died, this fund was created to help raise awareness of the support and information services that the Charity provides throughout the country.

**16 Commitments**

The Charity has no on-going capital commitments as at 31 December 2021.

## Little Hearts Matter

(a company limited by guarantee, company number 06442071)

### Notes to the Financial Statements (continued)

Year ended 31 December 2021

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#### 17 Related Party Transactions

The only related party transactions, other than expenses disclosed in note 7, have been monies received from the Trustees and their families as follows:

	Year ended 31 December 2021	Year ended 31 December 2020
	£	£
Donations	425	250
Fundraising	-	-
Merchandise	101	-
	<u>526</u>	<u>250</u>

**LITTLE HEARTS MATTER**

England & Wales - Charity number 1123290

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# Accounts

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**Little Hearts Matter**  
Half a heart, not half a life

**Little Hearts Matter**  
(a company limited by guarantee)

**Report and Financial Statements**

**Year ended 31 December 2020**

A company limited by guarantee, registered in England and Wales, number 06442071,  
registered office 75 Harborne Road, 4th Floor, Edgbaston, Birmingham, West Midlands, B15 3BU,  
registered charity number 1123290.

**Little Hearts Matter**  
(a company limited by guarantee)

**Contents**

**Year ended 31 December 2020**

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**Pages**

1 - 6	Trustees' Report
7	Independent Examiner's Report
8	Statement of Financial Activities
9	Balance Sheet
10 - 18	Notes to the Accounts

## **Trustees' Report**

**Year ended 31 December 2020**

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The Trustees are pleased to present their annual Directors' report together with the financial statements of the Charity for the year ended 31 December 2020 which are also prepared to meet the requirements for a Directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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 published in October 2019.

### **Chair's Report**

2020 has been a challenging year for the whole of the country and equally so for Little Hearts Matter ("LHM").

The hardest impact of Covid-19 or Coronavirus ("Covid") was the inability to help the membership meet face to face with everything having to move online. The office team have been exceptional with adapting to work from home and continuing to provide extremely high levels of services and support.

LHM took advantage of the Coronavirus Job Retention Scheme offered by the government with approximately half of the team being furloughed. Further successful applications have been made to various Covid-related grants and the Charity was also successful in receiving an award from the home building firm, Persimmon.

Throughout the Covid pandemic, children have continued to be born with a single ventricle heart; many have required surgery, some have sadly passed away and for others there has been considerable anxiety. Throughout all of this, the office team and support line volunteers have been there as a friend and shoulder to support children, young adults, parents, grandparents and friends. Further details of the support provided are included later in this report.

From the start of the Covid pandemic in the UK, a sub-set of the Board of Trustees met fortnightly to ensure that costs were firmly under control and quick responses could be made to the ever-changing circumstances and opportunities could be taken regarding different forms of funding. Paramount to this was a focus on the safety of the membership and the office team.

The year also saw the resignation of the previous chair, Julie Fairman. In this report I would like to formally say thank you to Julie for her unwavering support and drive for LHM and its members.

Now at the end of 2020, LHM is in an exceptionally strong financial position and the continued support of the members, who provide the steer and direction of the Charity, is relatively assured. Our focus has therefore never been clearer, and I look forward to another rewarding year ahead.

*David Baumber*

## **Trustees' Report (continued)**

**Year ended 31 December 2020**

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### **Objectives and Activities**

The objective of the Charity is to promote the relief and welfare of persons affected by congenital single ventricle cardiac disease and to advance the education of the medical profession and the general public on the subject of single ventricle cardiac disease and its implications for the family.

The main activities of the Charity in order to meet this objective are:

- providing support and advice via telephone helplines,
- putting families in touch with others with similar experiences through social media groups,
- creating information on diagnoses and treatments in an easy-to-understand format,
- organising education events for families to meet and learn from medical experts,
- raising the profile of these conditions to ensure our members' special needs are more widely understood,
- building relations within the medical world to increase awareness of single ventricle disorders,
- hosting events for the children and their families to experience new activities in a supportive and safe environment,
- funding and promoting research into these complex conditions and their treatments,
- mindfully providing specific bereavement support, and
- providing information and support for the children and young people themselves.

### **Achievements and Performance**

2020 was a very positive year for Little Hearts Matter despite the impact of Covid. The core workload of the Charity continues to grow as the number of services expands alongside the size of the membership. Key achievements for the year include:

- The parent/grandparent membership grew by nearly 600 people,
- Sent over 2,000 'hugs' to member families during lockdown,
- Created an online lockdown ball for the young members who missed their school prom,
- Created an online Halloween party,
- Held two online music events,
- Held a variety of virtual events for families,
- Sent 22 balloons to children to provide support after their life-changing Fontan surgery,
- Sent 1,400 birthday cards to the membership.

**Trustees' Report (continued)**

**Year ended 31 December 2020**

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The Charity had 4,790 members as at 31 December 2020 (2019: 4,378).

**Financial Review and Reserves Policy**

It is the policy to maintain unrestricted funds at a level sufficient to cover management and administration costs, to respond to emergency applications for grants which arise from time-to-time as well as ongoing and future commitments approved by the Board of Trustees. The total reserves at 31 December 2020 are £356,886 (2019: £231,433) of which £195,261 (2019: £149,778) relate to the general fund.

The Charity would like to maintain a general fund cash balance equating to between three and six months of expenditure from the general fund. Based on the budgeted costs approved by the Board of Trustees for the year to 31 December 2021, the Charity has approximately seven months (five months at 31 December 2020) of expenditure in the general fund cash balance.

*Income*

LHM has received a total income of £470,036 which is 1% higher than the previous financial year (£467,294). Given the impact of Covid and the economic climate, the level of income in 2020 is deemed extremely satisfactory. There was a noticeable change in income sources during 2020 with reductions in donations and fundraising mitigated through specialist Covid grants offered by a variety of trusts, companies, Children in Need and the National Lottery.

The Board of Trustees and office team are committed to ensuring that the level of income in the last two years is the new baseline to ensure the charity can continue to expand its service offering to new families and to the young people affected by their life-changing medical conditions as they get older. As the country adapts to the long-term consequences of Covid, it is expected that the income will revert to the historic sources with significant amounts of membership-driven fundraising.

*Expenditure*

The overall expenditure of £344,694 shows a decrease of 12% when compared to the prior year (£393,073). The Trustees and office team took a strict view on costs once the first national lockdown was declared in March 2020. The expected reduction of income was not seen during the year, but the future economic environment is not clear as the country moves beyond Covid.

The main saving was from the cancellation of the Open Day. This decision was made very quickly as the safety of the families affected by a single ventricle heart condition is paramount. An online event, including the AGM, was held later in 2020 when it was clear that a face-to-face event could not be held safely.

Further savings were achieved from other face-to-face events being cancelled such as an activity weekend, the lack of fundraising events and then from a restructuring of the staffing in the office team.

**Future Developments**

The growth in the Charity membership in recent years has led to increased demand for the various services offered. One key focus area is the increasing age of the children with single ventricle conditions and this has led to the next stage of the Charity's strategy – "Creating a Better Future". The Charity will continue to provide and expand on the services to families of the younger affected children as well as to bereaved families but will look to build these services and develop new support into a full roadmap as the young people enter adulthood.

**Little Hearts Matter**  
(a company limited by guarantee)

**Trustees' Report (continued)**

**Year ended 31 December 2020**

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**Reference and administrative details**

Charity number: 1123290  
Company number: 06442071  
Registered Office: 75 Harborne Road, 4th Floor, Edgbaston, Birmingham,  
West Midlands, B15 3BU

**Our advisors**

Bankers: Barclays Bank plc  
Colmore Row,  
Birmingham

Independent Examiner: M Jackson FCA DChA  
Azets Audit Services  
Ruthlyn House, 90 Lincoln Road  
Peterborough, PE1 2SP.

Medical Adviser: Dr David Crossland

**Trustees and Directors**

The Directors of the charitable company (the Charity) are its Trustees for the purpose of charity law. The Trustees and Officers serving during the year and since the year end were as follows:

Chair:	J Fairman	<i>(resigned 21<sup>st</sup> November 2020)</i>
	D Baumber	<i>(Acting Chair from 21<sup>st</sup> November 2020, previously the Treasurer)</i>
Treasurer:	P Groves	<i>(Acting Treasurer from 21<sup>st</sup> November 2020)</i>
Other Trustees:	I Baumber	
	L Durkin	<i>(appointed 8<sup>th</sup> May 2021)</i>
	J Lube	
	W Manger	<i>(appointed 21<sup>st</sup> November 2020)</i>
	M O'Herlihy	<i>(appointed 20th November 2020)</i>
	H Palmer	<i>(resigned 2<sup>nd</sup> January 2020, re-appointed 8<sup>th</sup> May 2021)</i>
	A Pearce	<i>(appointed 8<sup>th</sup> May 2021)</i>
	P Turner	<i>(resigned 14<sup>th</sup> March 2020)</i>
	G Wallis	<i>(resigned 8<sup>th</sup> May 2021, having not opted for re-election)</i>

D Baumber and P Groves were appointed Chair and Treasurer respectively on 8<sup>th</sup> May 2021.

**Key Management Personnel**

Chief Executive & Service Lead: Suzie Hutchinson

**Trustees' Report (continued)**

**Year ended 31 December 2020**

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**Structure, Governance and Management**

*Governing document*

The Company is limited by guarantee and is governed by its Memorandum and Articles of Association filed on 30 November 2007. The Company is also a Charity registered with the Charity Commission.

*Appointment of Trustees*

The Trustees of the Charity are appointed for a period of three years, at which point they must resign but are able to offer themselves for re-election at the Annual General Meeting if they so choose. Trustees can only be appointed at the Annual General Meeting by a majority vote of the members represented at the meeting and are proposed and seconded by current members of the Trustee Board.

*Trustee induction and training*

New Trustees receive a formal induction process whereby they spend at least one day in the Charity office to further understand the workings of the organisation. In addition to this they receive recent Charity Reports, financial reports and a binder explaining the full responsibilities of a Charity Trustee.

*Organisation*

At the quarterly Trustee meetings, the Trustees agree the broad strategy and areas of focus for the Charity. The day-to-day administration of the Charity is delegated to the Chief Executive who is given support by the Finance and General Purposes Committee, which consists of the Chair and two further Trustee members as well as the Chief Executive. The Committee meets every month.

**Risk Management**

The Board of Trustees has examined the major strategic, business and operational risks which the Charity has and confirms that systems have been established to enable a Risk Register to be produced so that the necessary steps can be taken to manage such risks.

The impact of Covid on the economy and third sector was significant in 2020 and continues into 2021. A sub-set of the Trustee board responded immediately to the first lockdown and then continued to meet fortnightly throughout the year and the early part of 2021 with ongoing support from the office team

Covid continues to present challenges to the Charity and its membership. The financial position during 2020 improved through tight cost control and support from various grant making bodies as well as the membership. This position then lessens the risk to LHM but the Trustee board and office team continue to monitor the situation closely and adapt as required.

**Little Hearts Matter**  
(a company limited by guarantee)

## **Trustees' Report (continued)**

**Year ended 31 December 2020**

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### **Grant Making Policy**

The applications for funding of projects are reviewed by the Board of Trustees for approval.

### **Public Benefit**

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities as well as setting the grant-making policy for the year.

### **Trustees' responsibilities in relation to the Financial Statements**

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

Laws applicable to charitable companies in England and Wales require the Trustees and Directors to prepare financial statements for each financial period, which give a true and fair view of the charitable Company as at its balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial 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 in the Charities SORP,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charitable company will continue in operation.

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the charitable Company and enable them to ensure the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Board of Trustees and signed on their behalf by:



**P Groves**  
**Treasurer**

September 2021

## Little Hearts Matter

(a company limited by guarantee)

### Independent Examiner's Report to the Trustees of Little Hearts Matter

Year ended 31 December 2020

---

I report to the trustees on my examination of the financial statements of Little Hearts Matter (the Charity) for the year ended 31 December 2020.

#### Responsibilities and basis of report

As the trustees of the Charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### Independent Examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

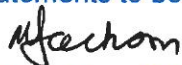
Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting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

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



M A Jackson FCA DChA  
Azets Audit Services  
Ruthlyn House  
90 Lincoln Road  
Peterborough  
PE1 2SP  
United Kingdom

22 September 2021

**Little Hearts Matter**  
(a company limited by guarantee)

**Statement of Financial Activities including Income and Expenditure Account**

**Year ended 31 December 2020**

	Note	Year ended 31 December 2020			Year ended 31 December 2019		
		Unrestricted Funds £	Restricted Funds £	Total 2020 £	Unrestricted Funds £	Restricted Funds £	Total 2019 £
<b>Incoming resources</b>							
Donations		81,797	2,575	<b>84,372</b>	93,498	10,262	103,760
Fundraising		89,276	-	<b>89,276</b>	140,708	10,495	151,203
Corporate/grant funders		86,899	85,768	<b>172,667</b>	98,628	89,674	188,302
Covid donations/grants		26,602	69,050	<b>95,652</b>	-	-	-
Tax refunds		25,493	-	<b>25,493</b>	21,622	-	21,622
Income from sale of merchandise	3	2,576	-	<b>2,576</b>	2,407	-	2,407
<b>Total incoming resources</b>		<b>312,643</b>	<b>157,393</b>	<b>470,036</b>	<b>356,863</b>	<b>110,431</b>	<b>467,294</b>
<b>Resources expended</b>							
Costs of generating funds	4	8,117	-	<b>8,117</b>	16,476	-	16,476
Charitable activities	5	259,043	77,534	<b>336,577</b>	314,184	62,413	376,597
<b>Total resources expended</b>		<b>267,160</b>	<b>77,534</b>	<b>344,694</b>	<b>330,660</b>	<b>62,413</b>	<b>393,073</b>
<b>Net movement in funds</b>		<b>45,483</b>	<b>79,859</b>	<b>125,342</b>	<b>26,203</b>	<b>48,018</b>	<b>74,221</b>
Fund balance at 1 January		149,778	81,766	<b>231,544</b>	123,575	33,748	157,323
<b>Fund balance at 31 December</b>		<b>195,261</b>	<b>161,625</b>	<b>356,886</b>	<b>149,778</b>	<b>81,766</b>	<b>231,544</b>

The Statement of Financial Activities includes all gains and losses recognised in the period.

All income and expenditure derive from continuing activities.

## Little Hearts Matter

(a company limited by guarantee, company number 06442071)

### Balance Sheet

As at 31 December 2020

	Notes	As at 31 December 2020 £	As at 31 December 2019 £
<b>Fixed assets</b>			
Tangible fixed assets	9	<u>2,172</u>	<u>6,153</u>
<b>Current assets</b>			
Debtors	10	13,733	10,125
Cash at bank and in hand	11	<u>349,500</u>	<u>227,082</u>
		<u>363,233</u>	<u>237,207</u>
<b>Creditors: amounts falling due within one year</b>	12	<u>(8,519)</u>	<u>(11,816)</u>
Net current assets		<u>354,714</u>	<u>225,391</u>
<b>Net assets</b>		<u>356,886</u>	<u>231,544</u>
<b>Funds</b>			
Restricted	13,14	161,625	81,766
Unrestricted	13	<u>195,261</u>	<u>149,778</u>
<b>Total Charity Funds</b>		<u>356,886</u>	<u>231,544</u>

For the year ended 31 December 2020 the Company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

#### Directors' responsibilities:

- The members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476;
- The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to the accounting records and the preparation of the accounts.

These financial statements were approved by the Board of Directors on 11 September 2021 and signed on its behalf by:



**D Baumber**  
Chair  
Director



**P Groves**  
Treasurer  
Director

**Notes to the Financial Statements**

**Year ended 31 December 2020**

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**1 Company status**

The charity is a company limited by guarantee in England and Wales and does not have any share capital. The liability of the members is limited and shall not exceed £1 per member. Any surplus on winding up is to be donated to a charity whose objects are of a similar nature. The charitable company has taken advantage of section 60 of the Companies Act 2006 and deleted the word 'Limited' from its name.

**2 Principal accounting policies**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's accounts.

**a) Basis of accounting**

The financial statements have been prepared in accordance with the Charities Act 2011 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' published in October 2019, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Charity has applied Update Bulletin 1 as published on 2 February 2016 and does not include a cash flow statement on the grounds that it is applying FRS 102 section 1A.

The Charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Preparation of the accounts on a going concern basis. The charity reported a surplus of £125,342 during the year, had total funds of £356,886 and cash balances of £349,500. The Trustees are of the view that on this basis the charity is a going concern. The trustees remain in regular contact with members and sponsoring bodies to secure their ongoing financial support.

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

**b) Income**

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

For legacies, entitlement is taken as the earlier of the date on which either the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executors to the charity that a distribution will be made, or when a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executors' intention to make a distribution.

The charity received grants related to the coronavirus job retention scheme of £26,602 (2019: £nil).

**Notes to the Financial Statements (continued)**

**Year ended 31 December 2020**

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**2 Principal accounting policies (continued)**

**c) Expenditure and irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

**d) Governance costs**

Governance costs comprise costs for the running of the Charity itself as an organisation.

**e) Stocks**

Stocks are valued at the lower of cost and net realisable value. Given the slow moving nature of the stocks, these balances have now been fully written off.

**f) 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.

**g) Tangible fixed assets and depreciation**

Tangible fixed assets are capitalised and included at cost including any incidental expenses of acquisition. Only items with a cost greater than £1,000 are capitalised with lower values expensed through the Statement of Financial Activities.

Fixed assets are depreciated at annual rates estimated to write off the cost over their expected working life on the following bases:

Fixtures and fittings	20%
Computer equipment	33%
Websites	20%

The original cost of websites is capitalised into fixed assets but ongoing maintenance and minor modifications are shown in the Statement of Financial Activities.

**h) Operating leases**

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

**i) Taxation**

Little Hearts Matter is registered as a Charity with the Charity Commission and under the provisions of Section 478 Corporation Tax Act 2010, is exempt from liability to taxation.

**j) Financial instruments**

The Charity only has financial assets and 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.

**k) Donated services**

The Board of Trustees also provide services to the Charity for day to day book-keeping, report production, payroll services, information production and other ad-hoc tasks. The Charity also has approximately 50 volunteers who lead regional groups, help provide the dedicated support line service and support administrative tasks in the office. In accordance with the Charities SORP (FRS 102), the general volunteer time of these groups has not been recognised in these accounts.

**Notes to the Financial Statements (continued)**Year ended 31 December 2020

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**2 Principal accounting policies (continued)****1) Critical accounting estimates and judgements**

In the application of the charity's accounting policies, the trustees 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 Profit on sale of merchandise**

	Year ended 31 December 2020	Year ended 31 December 2019
	£	£
Sales	2,576	2,407
Cost of sales (note 4)	<u>(1,162)</u>	<u>(1,350)</u>
<b>Net profit</b>	<b><u>1,414</u></b>	<b><u>1,057</u></b>

**4 Costs of generating funds**

	Year ended 31 December 2020	Year ended 31 December 2019
	£	£
LHM Events	514	2,430
Fundraising website charges	3,108	4,141
Cost of sales of merchandise (note 3)	1,162	1,350
Printing, travel and postage	872	1,194
Other	<u>2,461</u>	<u>7,361</u>
	<b><u>8,117</u></b>	<b><u>16,476</u></b>

**Notes to the Financial Statements (continued)****Year ended 31 December 2020****5 Charitable activities**

	<b>Year ended 31 December 2020</b>	<b>Year ended 31 December 2019</b>
	<b>£</b>	<b>£</b>
Staff costs	<b>208,278</b>	208,024
Rent and service charges	<b>48,043</b>	47,093
IT support & Licences	<b>11,922</b>	8,211
Printing/photocopying	<b>8,360</b>	10,352
Governance costs	<b>6,772</b>	9,225
Open day	<b>6,496</b>	24,969
Postage	<b>6,273</b>	3,552
Depreciation	<b>5,223</b>	5,268
Database	<b>4,359</b>	5,074
Newsletter	<b>3,971</b>	5,373
Telephone	<b>3,768</b>	3,543
Gifts	<b>2,881</b>	2,554
Insurance	<b>2,408</b>	1,906
Public awareness	<b>2,302</b>	6,767
Subscriptions	<b>1,946</b>	3,222
Membership roadshow	<b>1,747</b>	-
Training	<b>1,363</b>	4,517
Youth activities	<b>1,328</b>	788
Pensions administration	<b>1,123</b>	1,123
Activity weekends	<b>1,080</b>	5,393
Recruitment/agency staff	<b>365</b>	2,768
Travel and hotels	<b>347</b>	5,303
Bereavement events	<b>143</b>	3,370
Meetings	<b>13</b>	1,517
Other costs	<b>6,066</b>	6,685
	<b><u>336,577</u></b>	<b><u>376,597</u></b>
Analysed as:		
Unrestricted	<b>259,043</b>	314,184
Restricted	<b>77,534</b>	62,413
	<b><u>336,577</u></b>	<b><u>376,597</u></b>

## Little Hearts Matter

(a company limited by guarantee, company number 06442071)

### Notes to the Financial Statements (continued) Year ended 31 December 2020

#### 6 Governance costs

	Year ended 31 December 2020	Year ended 31 December 2019
	£	£
Staff costs	4,943	4,780
Trustee expenses	123	1,943
Independent examiner's fee	1,625	1,330
Training	82	-
Meeting costs	-	1,172
	<u>6,773</u>	<u>9,225</u>

The Trustee expenses have been apportioned to take account of meetings attended by the Trustees involved in day-to-day running of the Charity and the values above relate to travel to Trustee meetings. The staff costs are an apportionment based on estimated time.

Expenses relating to previous years included within creditors: amounts due within one year (note 12) have been released and treated as donations where claims have not been made.

The amount paid to the independent examiner for the independent examination in the year totalled £1,625 (2019: 1,330).

#### 7 Trustees' remuneration

No remuneration has been paid to the members of the Board of Trustees. During the year no members of the Board of Trustees was reimbursed for travel expenses (31 December 2019: two members of the board were reimbursed £661 for travel expenses). Where feasible the Charity incurs the cost directly for Trustee travel and accommodation expenses.

#### 8 Staff costs

The aggregate cost of employment was as follows:

	Year ended 31 December 2020	Year ended 31 December 2019
	£	£
Wages and salaries	194,822	193,691
Social security costs	12,609	14,155
Pensions	5,790	4,958
	<u>213,221</u>	<u>212,804</u>
The average number of employees was:		
Administration	<u>9</u>	<u>8</u>

No employees received benefits of more than £60,000.

The key management personnel of the Charity comprise the Trustees, the Chief Executive, the Youth Leader and Fundraising Manager. The total employee benefits of the key management personnel were £105,276 (2019: £111,164).

**Little Hearts Matter**

(a company limited by guarantee, company number 06442071)

**Notes to the Financial Statements (continued)****Year ended 31 December 2020****9 Tangible fixed assets**

	Fixtures and fittings £	Computer equipment £	Websites £	Total £
<b>Cost</b>				
At 1 January 2020	1,217	10,301	12,481	23,999
Additions	-	1,242	-	1,242
Disposals	-	(1,986)	-	(1,986)
<b>At 31 December 2020</b>	<b>1,217</b>	<b>9,557</b>	<b>12,481</b>	<b>23,255</b>
<b>Depreciation</b>				
At 1 January 2020	1,217	6,644	9,985	17,846
Charge for the year	-	2,727	2,496	5,223
Disposals	-	(1,986)	-	(1,986)
<b>At 31 December 2020</b>	<b>1,217</b>	<b>7,385</b>	<b>12,481</b>	<b>21,083</b>
<b>Net Book value</b>				
<b>At 31 December 2020</b>	<b>-</b>	<b>2,172</b>	<b>-</b>	<b>2,172</b>
At 31 December 2019	-	3,657	2,496	6,153

**10 Debtors**

	As at 31 December 2020 £	As at 31 December 2019 £
Prepayments	<u>13,733</u>	<u>10,125</u>

**11 Cash at bank and in hand**

	As at 31 December 2020 £	As at 31 December 2019 £
Current accounts	348,537	226,903
Cash in hand	963	179
	<u>349,500</u>	<u>227,082</u>

**Little Hearts Matter**

(a company limited by guarantee, company number 06442071)

**Notes to the Financial Statements (continued)****Year ended 31 December 2020****12 Creditors: amounts falling due within one year**

	<b>As at 31 December 2020</b>	<b>As at 31 December 2019</b>
	<b>£</b>	<b>£</b>
Taxation and social security	<b>3,173</b>	4,568
Accruals	<b>5,346</b>	7,248

**13 Analysis of net assets between funds**

	<b>Restricted fund</b>	<b>General fund</b>	<b>As at 31 December 2020</b>	<b>As at 31 December 2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Tangible fixed assets	618	1,554	<b>2,172</b>	6,153
Net current assets	<u>166,148</u>	<u>188,566</u>	<b><u>354,714</u></b>	<u>225,391</u>
	<u>166,766</u>	<u>190,120</u>	<b><u>356,886</u></b>	<u>231,544</u>

**14 Analysis of charitable funds**

	<b>As at 31 December 2019</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>As at 31 December 2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>General Fund</b>	<u>149,778</u>	<u>312,643</u>	<u>(267,160)</u>	<u>195,261</u>
<b>Restricted funds:</b>				
Freddy Fund	10,040	1,025	(500)	<b>10,565</b>
Energy Project	4,538	-	(1,147)	<b>3,391</b>
Brave Heart Awards	6,031	-	(4,000)	<b>2,031</b>
Barbara Ward	4,195	7,000	(1,079)	<b>10,116</b>
Theo Walker	1,924	1,000	(1,747)	<b>1,177</b>
Youth services	10,124	5,740	(261)	<b>15,603</b>
Lottery Community Fund	26,376	33,528	(30,197)	<b>29,707</b>
Lottery - In Memory	6,997	-	(347)	<b>6,650</b>
Morrisons - Database	314	-	(314)	<b>-</b>
Children in Need	814	24,500	(24,711)	<b>603</b>
British Medical Association	-	10,000	-	<b>10,000</b>
Children in Need - Covid	-	3,750	(3,077)	<b>673</b>
Lottery - Covid	-	8,370	(3,465)	<b>4,905</b>
St James's Place - Covid	-	6,930	-	<b>6,930</b>
Persimmon - Covid	-	50,000	-	<b>50,000</b>
Medical Information Fund	5,500	-	-	<b>5,500</b>
Other	4,913	5,550	(6,689)	<b>3,774</b>
	<u>81,766</u>	<u>157,393</u>	<u>(77,534)</u>	<u>161,625</u>
	<u>231,544</u>	<u>470,036</u>	<u>(344,694)</u>	<u>356,886</u>

**Notes to the Financial Statements (continued)**

**Year ended 31 December 2020**

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**14 Analysis of charitable funds (continued)**

The restricted funds relate to the following:

Freddy Fund	In memory of a child that died, this fund is used to support projects to inform and help the brothers and sisters of children born with single ventricle heart disease.
Energy Project	These are funds which have been received to support the Energy Project and describes the "spoons of energy" initiative which gives children a simple way to explain to others how their condition affects them day to day.
Brave Heart Awards	These funds have been received to enable children supported by the Charity to aspire towards improving themselves with an official form of recognition which they can wear and take pride in.
Barbara Ward Fund	These funds have been received to provide activity weekends for the children and their siblings, affected by a single ventricle heart condition.
Theo Walker Fund	In memory of a child that died, this fund was created to help raise awareness of the support and information services that the Charity provides throughout the country.
Youth services	This provides dedicated funds for youth events and also seed capital for the youth website development project.
Lottery Community Fund	This provides funding for Social Media Service provision.
Lottery – In Memory	This fund supports the memorial events provided by LHM.
Children in Need	Funding for youth services including a dedicated Youth Officer.
British Medical Association	This funding has been provided to develop resources for young people, their families and their relevant healthcare professionals regarding the transition from child to adult medical support with a single ventricle heart condition.
'Covid' Funds	These funds have been provided from various bodies to ensure the continuation of various key services to the membership during the recovery from the Covid 19 pandemic.
Medical Information Fund	This funding has been provided to enable the LHM to provide targeted support to its membership regarding the medical aspects of the health of the child and young people.

**15 Commitments**

The Charity has no on-going capital commitments as at 31 December 2020.

**Little Hearts Matter**

(a company limited by guarantee, company number 06442071)

**Notes to the Financial Statements (continued)**

**Year ended 31 December 2020**

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**16 Related Party Transactions**

The only related party transactions, other than expenses disclosed in note 7, have been monies received from the Trustees and their families as follows:

	<b>Year ended 31 December 2020</b>	<b>Year ended 31 December 2019</b>
	<b>£</b>	<b>£</b>
Donations	<b>250</b>	365
Fundraising	-	200
Merchandise	-	26
	<b>250</b>	<b>591</b>