

COMPANY REGISTRATION NUMBER: 07285409

CHARITY REGISTRATION NUMBER: 1138088

**Somerville Heart Foundation
Company Limited by Guarantee
Unaudited financial statements
31 December 2021**



Somerville Heart Foundation

Company Limited by Guarantee

Financial statements

Year ended 31 December 2021

	Page
Trustees' annual report (incorporating the directors' report)	1
Independent examiner's report to the trustees	10
Statement of financial activities (including income and expenditure account)	11
Balance sheet	12
Notes to the financial statements	13

Somerville Heart Foundation

Company Limited by Guarantee

Trustees' annual report (incorporating the directors' report)

Year ended 31 December 2021

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 December 2021.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

Reference and administrative details

Registered charity name	Somerville Heart Foundation
Charity registration number	1138088
Company registration number	07285409
Principal office and registered office	7 Friars Courtyard 30-32 Princes Street Ipswich Suffolk IP1 1RJ

The trustees

The trustees who served during the year and at the date of approval were as follows:

L Barnes (Chair)
J Somerville (Former President, resigned 26 January 2021)
M Cumper (Former President, deceased 11 July 2022)
M Rosen (Treasurer)
F Kennedy
R Nicoll (Vice President)
C Somerville
L Nisbet
F Walker

Company secretary A Woods

Independent examiner L Thurston FCCA
Lovewell Blake LLP
Chartered accountants
First Floor Suite
2 Hillside Business Park
Bury St Edmunds
IP32 7EA

Scottish charity registration no. SC049673

Bankers TSB Bank Plc
16 Buttermarket
Ipswich
Suffolk
IP1 1BG

Somerville Heart Foundation

Company Limited by Guarantee

Trustees' annual report (incorporating the directors' report) *(continued)*

Year ended 31 December 2021

Objectives and activities

The charity's objectives are:

1. The relief of poverty, sickness and distress amongst those persons who have a heart disorder of any form or who have undergone heart surgery of any kind, by such means as charitable.
2. The advancement of the education of the public in relation to all aspects of heart disorders or abnormalities.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Somerville Heart Foundation

Company Limited by Guarantee

Trustees' annual report (incorporating the directors' report) *(continued)*

Year ended 31 December 2021

Achievements and performance

Somerville Heart Foundation remains the only registered charity in the UK wide charity working with young people and adults who were born with a heart condition (ACHD, adult congenital heart disease patients). Congenital heart disease is the most common condition that babies are born with, there being a prevalence of around 10 out of 1,000 live births. This population is increasing at an estimated 6% per year however services haven't developed as the number of patients has grown. There is a huge gap between patients' needs and the needs and the helps and support that they receive.

CHD patients heart disease wasn't caused by lifestyle, smoking, diet, lack of exercise or any factor that they could have controlled themselves. Congenital heart patients were simply born with their conditions.

For nearly thirty years the Somerville Heart Foundation or GUCH Patients Association, as it was originally known, has fought for better treatment, encouraged research and provided services for those in greatest need. This includes ACHD patients who developed mental health conditions related to their heart disease, women who want to start a family, those from BAME communities and patients who are living in financial distress.

The majority of trustees and volunteers are themselves heart patients. This brings a great deal of empathy and understanding to our work and the organisation has a string and supportive "family feel". The charity is also user-led in that its direction of travel and services are based entirely on the needs of patients. Through surveys, Facebook, Twitter and the Somerville Heart Foundation's website the organisation is in a constant conversation with patients and is always campaigning and advocating with and for them.

Somerville Heart Foundation is entirely independent and receives no funding from central or local government. All of our frontline services are free of charge for patients.

Research

Somerville Heart Foundation has been involved with several research projects involving ACHD patients and will continue to do so.

Information and support

We help patients to lead happy healthy lives, dealing with the traumas of frequent surgery, worries about life expectancy, difficulties in the world of work and family life related to CHD.

Somerville Heart Foundation continues to provide information and support through traditional sources including:

1. Our quarterly newsletter.
2. Information and advice leaflets at specialist congenital heart centres.
3. Our new website was launched last year and is full of information, advice, patient stories, useful articles and specialist centre contact details. It continues to be developed and enhanced.
4. Our new membership scheme was launched in February 2021 with a dedicated members online area for patients, their families and healthcare professionals to access information to all our services and support.
5. Our health passport which enables patients to share details of their condition with non-specialist medical services, dentists GP's etc.

We also make maximum use of social media, internet and digital technology. Open and closed Facebook groups help to maintain a vibrant online community alongside the message-board on our website.

Somerville Heart Foundation

Company Limited by Guarantee

Trustees' annual report (incorporating the directors' report) *(continued)*

Year ended 31 December 2021

Wellbeing zoom sessions are regularly run by our Wellbeing Counsellor.

Charity website found at www.tsf.org.uk. Twitter reaches a wide range of patients, professionals and supporters. Somerville Heart Foundation uses YouTube to provide information videos to support patients.

Patients, professionals, relatives and carers all benefited from the flagship helpline service 0300 0151 998.

Callers received support with a wide range of enquiries including:

1. Where to find specialist centres for congenital heart patients.
2. Support with employment and sign posting sources of help for welfare benefit issues.
3. Information and advice for patients travelling outside the UK.
4. Mental health and Wellbeing challenges.
5. Growing older with a heart condition.
6. Recent diagnosis and contacting other people in similar situations.
7. End of life issues.
8. Bereavement.
9. Disability rights.
10. Employment rights.
11. Support for relatives and carers.
12. Support for those transferring from children to adult services (transition).
13. Retirement and Estate Planning.

Newsletters were published in spring, summer, autumn and winter.

Information and advice leaflets which are available directly from our office, online and at ACHD specialist centres, informed patients about lifestyle issues, pregnancy, transition, contraception and other relevant topics.

Patients experiencing discrimination at work have benefitted from our law service, sometimes helping them to stay in employment and when that hasn't been possible securing compensation to help them live their lives when they have been unfairly dismissed.

Mental health service

For many years mental illness amongst ACHD patients remained in a hidden yet distressing problem. Our own research has shown the depth of need in relation to congenital heart patients mental health. Over 80% of patients who completed the survey reported having personally experienced depression, 35% having had panic attacks and over 37% reporting "acute general anxiety". The trauma of multiple medical interventions as young children may account for more than 25% of patients experiencing "needle phobia".

Somerville Heart Foundation

Company Limited by Guarantee

Trustees' annual report (incorporating the directors' report) *(continued)*

Year ended 31 December 2021

Many of our beneficiaries experience "double discrimination" enjoying less opportunities and restricted lives due to their heart condition and being discriminated against because of the concomitant mental health problems.

Somerville Heart Foundation benefits from employing a dedicated mental health and wellbeing counsellor.

Support was provided directly via our email helpline, telephone helpline and face to face meetings.

Additionally, patients were helped to access local resources and services. Free workshops were delivered, teaching patients to manage anxiety and deal with panic attacks.

Educational events

The 2020 annual Conference took place in May 2021 in partnership with the team from University Hospital Southampton at the Holiday Inn in Southampton and was very well supported.

Patients living in poverty were helped by:

1. Providing free Coagucheck machines allowing patients who were struggling financially to manage their condition.
2. The Coronavirus Support Fund supporting those with sudden and unexpected financial burdens.

Doctors encourage into ACHD Medicine programs:

1. The Brooker Award-grant given to medical students to shadow ACHD consultants and encouraged into ACHD medicine.
2. ACHD taster session expenses to assist junior doctors to attend the course.

International links

Somerville Heart Foundation has continued to work with partner organisations throughout the world to campaign for better patient services, fight for discrimination and improve the lives of CHD patients. One of the trustees is a member of the European Congenital Heart Disease Organisation (ECHDO).

Volunteers

Somerville Heart Foundation is very grateful for the help and support given by volunteers at every level within the organisation including:

1. Dr L Morton who continues to work tirelessly on behalf of congenital Heart patients in Scotland.
2. Moderators who manage social media.
3. Trustees who willingly give their time to help ensure the organisation was governed effectively.
4. Volunteer fundraisers who held events in the community to realise much needed fees.
5. Individuals who provide information and articles for the website, social media and GUCH News.

Somerville Heart Foundation

Company Limited by Guarantee

Trustees' annual report (incorporating the directors' report) *(continued)*

Year ended 31 December 2021

Investments

In accordance with the Somerville Heart Foundation's ethical investment policy, funding is invested by Rathbones Investment Management Services.

Financial review

Somerville Heart Foundation has benefitted from additional support from donations from individuals taking part in sponsored events.

During 2021 as covid restrictions gradually unwound, the face-to-face activities of the Charity started to slowly resume. Fundraising events were still far fewer during the latter part of the year than in previous years and the income derived by the charity was considerably lower than expected. A grant from the National lottery of approximately £45,000 awarded to the charity towards core funding proved invaluable in maintaining core expenditure. This grant was utilised to cover the period September 2021 to March 2022 and was credited in the accounts during the appropriate accounting period.

During the year the total income amounted to £144,711 (2020: £137,962) of which income from donations and legacies increased to £90,350 from £82,150, income from other trading activities decreased to £51,487 from £52,511.

The total expenditure amounted to £131,561 (2020: £108,113) with expenditure on charitable activities decreasing to £117,955 from £101,848 in the preceding period. The charity's net income for the year which includes a net gain on investments of £16,176 (2020: £6,843) amounted to £29,326 (2020: £36,692).

Reserves policy

The organisation normally expects to hold up to one year's unrestricted expenditure in a reserve fund, which based on 2021 activities would amount to £120,308. Somerville Heart Foundation's unrestricted reserves held at the year-end date amounted to £214,180 (2020: £173,601) which is in surplus to the policy.

The trustees, mindful of the current economic climate, will look to expenses reserves in excess of the policy over the coming years.

Somerville Heart Foundation

Company Limited by Guarantee

Trustees Report (incorporating the directors' report)

Year ended 31 December 2021

Plans for future periods

Going into the spring of 2021, the trustees finalised a budget for the year in which the projection was for the charity to return to a largely balanced budget and a restored reserves policy as referred to above.

The effect of Covid-19 since March 2020 has had a significant effect on the operations of the charity at all levels and continues to do so as this report is being finalised and approved.

For the greater part of 2020, the operations of the Somerville Foundation had been significantly curtailed with the suspension/curtailment of patient services and the suspension of all but "virtual" fundraising events from which the Charity routinely secures its mainstream funding. IN the latter part of 2020 and throughout 2021 all patient services have been restored and indeed increased particularly with help from the funding via the National Lottery Fund.

Further, the Somerville Foundation was thought of sufficiently highly to have received funding from H M Government through the National Lottery Community Fund in the form of a special application to the Coronavirus Community Support Fund support the charity through the difficulties of the Covid 19 pandemic. The trustees are delighted to note that the excellent work of the Somerville Foundation has been recognised for the good it delivers to the UK congenital heart patient community.

Although most staff were furloughed throughout the pandemic, the Somerville Foundation has received significant gifts of time and commitment to assist with providing care and services to the patients since

Our services and support are in demand more than ever with the helpline having seen a 2,000% increase in the early stages of the pandemic and many of those people accessing our other services and support as well. It is hoped that the substantial financial loss initially anticipated at the start of the Covid pandemic can now be avoided.

Projected income and expenditure

Looking forward, the projected income is very likely to be reduced for 2022 as it is getting increasingly difficult to raise funds for charitable causes whilst the economic difficulties leave individuals with less disposable income. In a similar way, costs of maintaining the charity's services are becoming more expensive in numerous respects including payroll, office overheads and providing necessary patient services.

Our services and support are in demand more than ever with the helpline having seen a 2,000% increase in the early stages of the pandemic and many of those people accessing our other services and support as well.

It is hoped that the substantial financial loss initially anticipated at the start of the Covid pandemic can now be avoided

Former President

It is with deep regret that the trustees report the death of Mr Michael Cumper on 11 July 2022. Michael was associated with the charity for many years in numerous different roles, latterly as President. He worked tirelessly for the patients and for the charity and his presence will be greatly missed.

Somerville Heart Foundation

Company Limited by Guarantee

Trustees' annual report (incorporating the directors' report) (continued)

Year ended 31 December 2021

Structure, governance and management

The charity is a company limited by guarantee. The organisation is therefore governed by its Memorandum and Articles of Association. The charity was incorporated on 15 June 2010 and began operating on 1 January 2011. Following the transfer of all operations, assets and liabilities from GUCH PA, the unincorporated charity (number 1041866) on that date. The Board decided to apply for charitable status in Scotland and was registered with the Scottish regulator, OSCR (Office of the Scottish Charity Regulator) on 21 October 2019 under registration number SC049673.

The trustees, who are also directors for the purpose of Company law, are seen on the officers and information page of the financial statements.

Day to day management may be delegated to staff through the General Manager, however the board of trustees remains fully responsible for the running of the organisation.

Services are based upon the needs of the Charity's beneficiaries. These are identified through formal surveys, questionnaire, information and individual patients, our website and focus groups.

Trustee recruitment and training

Where possible trustee recruitment follows best practice as outlined within the Governance Code. Trustees are chosen to give the Somerville Heart Foundation a range of skills and expertise to ensure the charity is managed effectively. The trustee Board recruits experienced professionals including those who were born with heart conditions.

Potential trustees attend an informal interview with the Chairman of the trustees and undergo appropriate background and reference checks. Once appointed they are given an overview of the organisation by the Chairman, a copy of its policies and procedures as well as an up to date set of accounts. Trustees are also given a copy of the Charity Commission advice leaflet CC3, "The Essential Trustee What you need to Know", The Governance Code and have access to the Suffolk Academy for Voluntary Organisations' online governance learning material. They also receive the PB3 document, Public Benefit reporting' and are required to complete a "Declaration of Interest form".

There is no one external to the charity that is entitled to appoint trustees.

Related parties

The organisation works informally with other charities including Little Hearts Matter, ECHO (Evelina Childrens' Heart Hospital) British Heart Foundation and the Childrens' Heart Foundation and Ipswich Disability Advice Services in order to meet its charitable objectives.

Risk management

The major risks to the charity have been identified and reviewed. Systems have been established to mitigate these risks.

Somerville Heart Foundation

Company Limited by Guarantee

Trustees' annual report (incorporating the directors' report) *(continued)*

Year ended 31 December 2021

Independent examiner reappointment

A resolution to appoint L Thurston FCCA of Lovewell Blake LLP as independent examiner will be proposed at the next Annual General Meeting.

Small company provisions

This report has been prepared taking advantage of the small companies' exemption of section 415A of the Companies Act 2006.

The trustees' annual report was approved on 30/9/2022 and signed on behalf of the board of trustees by:



M Rosen
Trustee and Treasurer

Somerville Heart Foundation

Company Limited by Guarantee

Independent examiner's report to the trustees of Somerville Heart Foundation

Year ended 31 December 2021

I report to the charity trustees on my examination of the financial statements of the company for the year ended 31 December 2021 which comprise the statement of financial activities (including income and expenditure account), balance sheet and the related notes.

Responsibilities and basis of report

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

Having satisfied myself that the financial statements 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 financial statements 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

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 financial statements do not accord with those records; or
3. the financial statements 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 financial statements 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.



L Thurston FCCA
Independent Examiner

Lovewell Blake LLP
Chartered accountants
First Floor Suite
2 Hillside Business Park
Bury St Edmunds
IP32 7EA
30/9/2022

Somerville Heart Foundation

Company Limited by Guarantee

Statement of financial activities (including income and expenditure account)

Year ended 31 December 2021

		Unrestricted funds £	2021 Restricted funds £	Total funds £	2020 Total funds £
	Note				
Income					
Donations and legacies	5	90,350	–	90,350	82,150
Other trading activities	6	51,487	–	51,487	52,511
Investment income	7	2,841	–	2,841	3,014
Other income		33	–	33	287
Total income		<u>144,711</u>	<u>–</u>	<u>144,711</u>	<u>137,962</u>
Expenditure					
Raising funds					
Costs of raising donations and legacies		11,581	–	11,581	3,963
Charitable activities	8	106,702	11,253	117,955	101,858
Other expenditure		2,025	–	2,025	2,292
Total expenditure		<u>120,308</u>	<u>11,253</u>	<u>131,561</u>	<u>108,113</u>
Net income and net movements in funds before gains and losses on investments		24,403	(11,253)	13,150	29,849
Net gains on investments		16,176	–	16,176	6,843
Net income and net movement in funds		<u>40,579</u>	<u>(11,253)</u>	<u>29,326</u>	<u>36,692</u>
Reconciliation of funds					
Total funds brought forward		173,601	63,603	237,204	200,512
Total funds carried forward		<u>214,180</u>	<u>52,350</u>	<u>266,530</u>	<u>237,204</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 13 to 22 form part of these financial statements.

Somerville Heart Foundation

Company Limited by Guarantee

Balance sheet

31 December 2021

	Note	2021 £	£	2020 £	£
Fixed assets					
Investments	11		145,980		128,098
Current assets					
Debtors	12	4,349		12,466	
Cash at bank and in hand		<u>121,062</u>		<u>129,496</u>	
		125,411		141,962	
Creditors: Amounts falling due within one year	13	<u>(4,861)</u>		<u>(32,856)</u>	
Net current assets			120,550		109,106
Total assets less current liabilities			<u>266,530</u>		<u>237,204</u>
Net assets			<u>266,530</u>		<u>237,204</u>
Funds of the charity					
Restricted funds			52,350		63,603
Unrestricted funds			<u>214,180</u>		<u>173,601</u>
Total charity funds	16		<u>266,530</u>		<u>237,204</u>

For the year ending 31 December 2021 the charity 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 financial statements 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 accounting records and the preparation of financial statements.

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

These financial statements were approved by the board of trustees and authorised for issue on 30/9/2022....., and are signed on behalf of the board by:



M Rosen
Trustee and Treasurer

Company registration number: 07285409

The notes on pages 13 to 22 form part of these financial statements.

Somerville Heart Foundation

Company Limited by Guarantee

Notes to the financial statements

Year ended 31 December 2021

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 7 Friars Courtyard, 30-32 Princes Street, Ipswich, Suffolk, IP1 1RJ.

2. Statement of compliance

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The accounts have been prepared on the going concern basis and the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected income and expenditure for the next 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

Pensions

The charity operates a defined contribution pension scheme. Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided.

Leasing

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Somerville Heart Foundation

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 December 2021

3. Accounting policies *(continued)*

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds where necessary, are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Income

All incoming is included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Voluntary income is received in the way of grants, legacies, donations and gifts and is included in full in the statement of financial activities when receivable. Grants, where entitlement is conditional on the delivery of a specific performance by the charity, are recognised when it is considered probable that the income will be received.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.

Investment income consists of bank interest and is accounted for when receivable.

Expenditure

All expenditure is accounted for on an accruals basis as a liability is incurred. Expenditure includes any VAT that cannot be recovered and is reported as part of the expenditure to which it relates.

Cost of raising funds comprise of the costs associated with attracting voluntary income and the cost of trading for fundraising purposes.

Charitable expenditure comprises of those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs are included within charitable expenditure. These are costs associated with the constitutional and statutory requirement of the charity and include the accountants fees and costs linked to the strategic management of the charity.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of resources.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Somerville Heart Foundation

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 December 2021

3. Accounting policies *(continued)*

Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the charity will comply with the conditions attaching to them and the grants will be received.

Where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

4. Limited by guarantee

The Somerville Foundation is a registered charity and a company limited by guarantee, which is not liable to corporation tax. The members of the company are the trustees and directors named on the information page. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

Somerville Heart Foundation

Company Limited by Guarantee

Notes to the financial statements (continued)

Year ended 31 December 2021

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Donations			
Donations and gifts	58,937	—	58,937
Grants			
Grants receivable for core activities	31,413	—	31,413
Government grant income	—	—	—
	<u>90,350</u>	<u>—</u>	<u>90,350</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Donations			
Donations and gifts	28,862	25,000	53,862
Grants			
Grants receivable for core activities	19,453	—	19,453
Government grant income	8,835	—	8,835
	<u>57,150</u>	<u>25,000</u>	<u>82,150</u>

6. Other trading activities

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Membership	12,355	12,355	—	—
Fundraising events	28,667	28,667	41,537	41,537
Lottery income	10,465	10,465	10,974	10,974
	<u>51,487</u>	<u>51,487</u>	<u>52,511</u>	<u>52,511</u>

7. Investment income

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Income from fixed asset investments	<u>2,841</u>	<u>2,841</u>	<u>3,014</u>	<u>3,014</u>

Somerville Heart Foundation

Company Limited by Guarantee

Notes to the financial statements (continued)

Year ended 31 December 2021

8. Expenditure on charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Wages, salaries and pension contributions	69,865	4,966	74,831
Events and course expenses	1,649	8	1,657
Travel expenses and subsistence	—	—	—
Other grants	2,400	—	2,400
Office expenses	8,882	1,831	10,713
Rent and room hire	10,525	2,342	12,867
Insurance and subscriptions	796	212	1,008
Postage, stationery and printing	442	157	599
Bank charges	1,294	316	1,610
IT expenses	3,958	1,421	5,379
Coaguchek funding	4,772	—	4,772
Independent examiner costs	2,119	—	2,119
	<u>106,702</u>	<u>11,253</u>	<u>117,955</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Wages, salaries and pension contributions	65,572	—	65,572
Events and course expenses	7,545	—	7,545
Travel expenses and subsistence	68	33	101
Other grants	1,224	—	1,224
Office expenses	8,708	2,467	11,175
Rent and room hire	4,087	1,976	6,063
Insurance and subscriptions	416	201	617
Postage, stationery and printing	303	146	449
Bank charges	682	330	1,012
IT expenses	2,267	1,097	3,364
Coaguchek funding	3,451	—	3,451
Independent examiner costs	1,285	—	1,285
	<u>95,608</u>	<u>6,250</u>	<u>101,858</u>

Somerville Heart Foundation

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 December 2021

9. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2021	2020
	£	£
Wages and salaries	<u>74,831</u>	<u>65,572</u>

The average head count of employees during the year was 5 (2020: 5).

As a small charity, all of our staff have a front facing role, helping and supporting GUCH patients staff including:

- A patients services manager
- A mental health worker
- Our apprentice who works on a patient support, communications and events- Our National Director who staffs the helpline, looks after volunteers, supports patients at events and through our social media and information and advice services as well as campaigning and advocating.

The employment costs above, include key management personnel compensation totalling £Nil (2020: £Nil) during the year.

No employee received employee benefits of more than £60,000 during the year (2020: £Nil).

10. Trustee remuneration and expenses

Somerville Heart Foundation is operated on a trustees basis. No members of the management committee or any person connected with them has received or is due to receive any remuneration for the year directly or indirectly from Charity funds. Trustees were reimbursed expenses amounting to £122 (2020: £Nil) during the year.

11. Investments

	Listed investments £
Cost or valuation	
At 1 January 2021	128,098
Additions	32,561
Disposals	(30,855)
Fair value movements	<u>16,176</u>
At 31 December 2021	<u>145,980</u>
Impairment	
At 1 January 2021 and 31 December 2021	
Carrying amount	
At 31 December 2021	<u>145,980</u>
At 31 December 2020	<u>128,098</u>

All investments shown above are held at valuation.

Somerville Heart Foundation

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 December 2021

11. Investments *(continued)*

Financial assets held at fair value

Fair value is determined by an externally provided investment portfolio managed by Rathbone Investment Management Limited at each reporting date.

The historical cost as at the year end is £109,695 (2020: £101,995).

12. Debtors

	2021	2020
	£	£
Trade debtors	178	–
Prepayments and accrued income	3,771	12,466
Other debtors	400	–
	<u>4,349</u>	<u>12,466</u>

13. Creditors: Amounts falling due within one year

	2021	2020
	£	£
Trade creditors	240	52
Accruals and deferred income	4,621	32,804
	<u>4,861</u>	<u>32,856</u>

14. Deferred income

	2021	2020
	£	£
At 1 January 2021	28,907	–
Amount released to income	(28,907)	–
Amount deferred in year	–	28,907
At 31 December 2021	<u>–</u>	<u>28,907</u>

Deferred income amounting to £28,907 relates to conditional grant income received in the year ended 31 December 2020 on behalf of projects being completed in the year ended 31 December 2021. No amounts were deferred into 31 December 2022.

15. Government grants

The amounts recognised in the financial statements for government grants are as follows:

	2021	2020
	£	£
Recognised in income from donations and legacies:		
Government grants income	–	8,835

Somerville Heart Foundation

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 December 2021

16. Analysis of charitable funds

Year ended 31 December 2021

	1 Jan 2021 £	Income £	Expenditure and Investment movements £	Transfers £	31 Dec 2021 £
Restricted funds					
Fellowship fund	44,853	—	—	—	44,853
COVID hardship fund	15,000	—	(7,503)	—	7,497
Somerville hardship fund	3,750	—	(3,750)	—	—
	<u>63,603</u>	<u>—</u>	<u>(11,253)</u>	<u>—</u>	<u>52,350</u>
Designated funds					
S Shackman legacy fund	114,832	—	—	(2,500)	112,332
Growing older scheme	—	15,223	(8,901)	—	6,322
Investment reserve	26,103	—	—	5,056	31,159
	<u>140,935</u>	<u>15,223</u>	<u>(8,901)</u>	<u>2,556</u>	<u>149,813</u>
Unrestricted funds					
General fund	32,666	129,488	(95,231)	(2,556)	64,367
Total funds	<u>237,204</u>	<u>144,711</u>	<u>(115,385)</u>	<u>—</u>	<u>266,530</u>

Somerville Heart Foundation

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 December 2021

17. Analysis of charitable funds *(continued)*

Year ended 31 December 2020

	1 Jan 2020 £	Income £	Expenditure and Investment movements £	Transfers £	31 Dec 2020 £
Restricted funds					
Fellowship fund	44,853	—	—	—	44,853
COVID hardship fund	—	20,000	(5,000)	—	15,000
Somerville hardship fund	—	5,000	(1,250)	—	3,750
	<u>44,853</u>	<u>25,000</u>	<u>(6,250)</u>	<u>—</u>	<u>63,603</u>
Designated funds					
S Shackman legacy fund	114,832	—	—	—	114,832
Investment reserve	40,827	—	—	(14,724)	26,103
	<u>155,659</u>	<u>—</u>	<u>—</u>	<u>14,724</u>	<u>140,935</u>
Unrestricted funds					
General fund	—	112,962	(95,020)	14,724	32,666
Total funds	<u>200,512</u>	<u>137,962</u>	<u>(101,270)</u>	<u>—</u>	<u>237,204</u>

Fellowship fund - The Fellowship Fund supports the education and training of professionals who provide services to congenital heart patients. Funding was provided mainly from fundraising events.

COVID Hardship Fund - income is restricted to support vulnerable patients during the difficult Covid-19 periods.

Somerville Hardship Fund - income is restricted to support vulnerable patients in line with the objectives of the charity and was fully expensed as at the year end date.

S Shackman legacy fund - The organisation has continued to draw down funds from the legacy left by S Shackman, as the Trustees have chosen to spend funds in excess of income so that patients receive the services that they need. This is planned expenditure in line with advice from the Charity Commission that the legacy should be used for beneficiaries and gradually reduced over time.

Growing older scheme - Fund established to help ACHD patients with all aspects of life as they grow older.

Investment reserve - represents amounts set aside to reflect the overall movement in investments between the current value and cost.

Somerville Heart Foundation

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 December 2021

18. Analysis of net assets between funds

Year ended 31 December 2021

	Investments £	Net current assets £	Total £
Restricted funds	–	52,350	60,298
Unrestricted funds	145,980	68,200	214,180
	<u>145,980</u>	<u>120,550</u>	<u>274,478</u>

Year ended 31 December 2020

	Investments £	Net current assets £	Total £
Restricted funds	–	63,603	63,603
Unrestricted funds	128,098	45,503	164,190
	<u>128,098</u>	<u>109,106</u>	<u>227,793</u>

19. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2021 £	2020 £
Not later than 1 year	3,950	7,900
Later than 1 year and not later than 5 years	–	1,975
	<u>3,950</u>	<u>9,875</u>

20. Related parties

There have been no related party transactions in the current or prior reporting period.