

# CHILDREN'S HEART SURGERY FUND

England & Wales · Charity number 1148359

## Details

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**Status** Registered

**Legal form** Charitable company

**Company number** [08152970](#)

**Registered** 2012-07-30

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

## Contact

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**Address** B5  
Joseph's Well  
Hanover Walk  
Leeds  
LS3 1AB

**Phone** 01138314810

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

**Website** <http://www.chsf.org.uk>

## Activities

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**Objects:** THE OBJECTS ARE SPECIFICALLY RESTRICTED TO THE ADVANCEMENT OF THE RELIEF OF SICK CHILDREN AND UNBORN CHILDREN, AND ADULTS WITH CONGENITAL HEART CONDITIONS, WITHIN THE AREA OF BENEFIT AND IN PARTICULAR, BUT WITHOUT LIMITING THE FOREGOING, THE TRUSTEES MAY:1) PROVIDE EQUIPMENT FOR MEDICAL OR NURSING TREATMENT IN THE CHILDREN'S HEART UNIT AT THE LEEDS GENERAL INFIRMARY (OR ELSEWHERE WITHIN THE AREA OF BENEFIT);2) PROVIDE FUNDS TO ENABLE MEDICAL, NURSING AND OTHER HEALTH PROFESSIONALS EMPLOYED OR WORKING AT OR IN CONNECTION WITH THE CHILDREN'S HEART UNIT AT THE LEEDS GENERAL INFIRMARY (OR ELSEWHERE WITHIN THE AREA OF BENEFIT) TO ATTEND OR PARTICIPATE IN LECTURES OR COURSES OR EDUCATIONAL OR TRAINING PLACEMENTS IN ORDER TO IMPROVE THE PROFESSIONAL SKILLS WHICH THEY EXERCISE IN THEIR WORK AND/OR TO PROVIDE SUCH MEDICAL, NURSING AND OTHER HEALTH PROFESSIONALS WITH TRAINING MATERIALS;3) PROVIDE SUCH ADDITIONAL FACILITIES AS MAY BENEFIT PATIENTS AT THE CHILDREN'S HEART UNIT AT THE LEEDS GENERAL INFIRMARY (OR ELSEWHERE WITHIN THE AREA OF BENEFIT) AND IN PARTICULAR FACILITIES (INCLUDING FINANCIAL ASSISTANCE) TO ENABLE THE PARENTS OR NEAR RELATIVES OF PATIENTS TO BE IN ATTENDANCE UPON PATIENTS DURING THE PERIOD OF THEIR TREATMENT OR CARE; AND4) PROVIDE FUNDING FOR RELEVANT RESEARCH.

**Activities:** The main objective of the charity is to enhance the quality of care and support available to babies, young children and adult congenital cardiac patients, who are treated at the Leeds Congenital Heart Unit, based at Leeds General Infirmary.

## Classification

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- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Other Finance, Sponsors Or Undertakes Research, Other Charitable Activities
- **What:** General Charitable Purposes, Education/training, The Advancement Of Health Or Saving Of Lives, Accommodation/housing
- **Who:** Children/young People

## Geography

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- Throughout England

## Finances

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Period end	Income	Expenditure	Assets	Employees
2024-12-31	£1,041,517	£1,193,313	£612,269	14
2023-12-31	£1,324,178	£1,053,251	£739,698	14
2022-12-31	£850,552	£1,081,459	£435,825	15
2021-12-31	£962,456	£1,203,818	£734,561	13
2020-12-31	£916,054	£819,933	£927,770	13

## Trustees

Name	Role	Appointed
<b>Claire Daniels</b>	Chair	2021-09-25
Alison Conchie		2022-09-22
CATHARINA ADRIANA MARIA VAN DOORN		2014-05-29
Colin William Clewes		2022-04-21
Fiona Willcoxson		2025-09-01
Jason King		2025-09-01
Matthew Fidler		2021-11-25
Ryan Wilkinson		2025-09-01
Sophie Dunn		2025-09-01
Wendy Haigh		2020-01-16

**CHILDREN'S HEART SURGERY FUND**

England & Wales - Charity number 1148359

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# Accounts

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Company registration number: 08152970

Charity registration number: 1148359

# Children's Heart Surgery Fund

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2024

HPH  
54 Bootham  
YORK  
YO30 7XZ

## **Children's Heart Surgery Fund**

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## **Children's Heart Surgery Fund**

### **Trustees' Report for the Year Ended 31 December 2024**

The Trustees (who are also directors of the Charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of the Children's Heart Surgery Fund (the company) for the year ended 31 December 2024. The Trustees confirm that the company's annual report and financial statements comply with the current statutory requirements, the requirements of the charity's governing document, and the provisions of the Statement of Recommended Practice (SORP).

Since the Charity qualifies as small company under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

#### **Objectives and activities**

##### ***Objects and aims***

The Charity's main objective is to enhance the quality of care and support available to babies, young children, and adult congenital cardiac patients treated at the Leeds Congenital Heart Unit (LCHU), based at Leeds General Infirmary. This objective is presently fulfilled for the benefit of the public in several ways:

- Provision of new and primary equipment not available from NHS resources to improve the care available to the Leeds Congenital Heart Unit beneficiaries. The Charity also awards grants to Leeds Congenital Cardiac staff to attend specialist courses unavailable to them through the NHS to further their expertise to improve patient care.
- Supply of equipment and other items makes the children's wards and play areas more user friendly and more conducive to a child's recovery while under the care of the Congenital Heart ward.
- Funding a small number of specialist research projects and posts, when the need arises, which enhances knowledge and expertise in the field to benefit future beneficiaries.
- Funding for the costs of medical, nursing and other health professionals with a view to the positions eventually being funded by LTHT.
- Funding for family accommodation.
- Providing Family Support service to give ongoing emotional, financial and practical support that is otherwise unavailable.

##### ***Grant making policies***

The organisation's objectives are achieved through:

- provision of a family support service to those attending LCHU for treatment.
- grants provided directly to families or to enhance the LCHU world-class service.

## Children's Heart Surgery Fund

### Trustees' Report for the Year Ended 31 December 2024

#### ***Grant making policies (continued)***

##### ***a) Beneficiary Status***

The Charity will consider relevant applications for grants from:

1. LTHT clinicians and employees working for the Leeds Congenital Heart Service
2. Congenital heart patients & their families
3. Voluntary organisations
4. Charitable organisations

##### ***b) Geographical area***

The Charity provides regional support, in line with the support given from the Leeds Congenital Heart Unit, which covers Yorkshire & the Humber, North Lincolnshire and North Derbyshire.

##### ***c) Size of grants***

The amount of each grant varies, depending on the project. Trustees set budgets for grant expenditure based on anticipated income and the need to maintain an appropriate level of reserves.

##### ***d) Assessment process***

Relevant information is gathered via submitted application forms.

Applications are considered by the Chief Executive Officer and SLT, The Finance and Risk Sub-Committee or the Board of Trustees, as determined by agreed authority levels. Decisions are made based on the extent to which the proposal furthers the aims and objectives of the charity, and the scope of available resources.

##### ***e) Post Award Review***

The Charity reserves the right to request, from the applicant, confirmation that funds have been spent appropriately. It may also, where appropriate, ask applicants for one or more report(s) to update CHSF trustees on the progress of the project and assess the effectiveness of any funding. The report should be submitted to the Trustees within six months.

#### ***Volunteers***

Volunteers play a key and valued role in the charity's fundraising operations. Volunteers are supported in their activities by the Charity's professional fundraising team in accordance with organisational policies.

## **Children's Heart Surgery Fund**

### **Trustees' Report for the Year Ended 31 December 2024**

#### **Achievements and performance**

CHSF has had a successful year, fundraising income for the year is £1,028,000. This was our second best fundraising year to date, we ended the year £77,000 above forecast. Community fundraising and support is incredible, families who have experienced an extraordinary heart journey fundraise to support other heart families. We're also grateful for the support we receive from the businesses, and through trusts and foundations. A significant achievement of the year has been our Family Support work. 288 families benefitted from our practical help and emotional support. We have strengthened our partnership and relationship with the Congenital Cardiac Unit in creating an advisory group to guide the development of our Family Support which is valued by the team. We continue to reach a growing audience on social media and the regional press, with over 25K followers on our social media channels. In 2024 we averaged 5 online PR stories per month in local online and printed press.

The organisation was led by our Interim CEO last year who was in post between January-December 2024. Working closely with the Board of Trustees and Senior Leadership Team, the interim CEO led the development of a new two-year strategy and supported the Chair to oversee the recruitment of the permanent CEO who joined the organisation in December 2024. With our permanent CEO in post, we're looking forward to building on the strengths of this year in the delivery of our strategy and supporting everyone affected by congenital heart disease in our region.

#### ***Medical equipment, training support and research***

The medical equipment funded by CHSF supports cardiac patients to live empowered lives by offering greater control and choices in managing their condition. In the last year, we purchased 40 Blood Pressure monitors enabling adult patients to monitor their own health at home. We also purchased 70 INR kits which is a portable machine families and adults can use to measure their own or child's INR at frequent intervals, results can then be telephoned into the clinic. Children attending appointments could miss up to half a day's education every week without the equipment, saving up to 1400 schooldays last year. 60 Kardia Mobiles were also purchased in 2024. These transportable and easy to use devices are effectively personal ECG monitors, which work with smartphones. They monitor heart rhythms amongst patients who have experienced symptoms, either providing peace of mind or vital data to enable clinicians to reach a diagnosis.

CHSF, in partnership with Heart Research UK and Leeds Hospitals Charity, funded the Gerlis Project this year. This ground-breaking project was led by cardiac surgeon Miss Carin Van Doorn. MRI-scans of 100 anatomical hearts in the Gerlis collection were taken to create a digital resource accessible for research groups to further their understanding of CHD and help design new treatments.

## Children's Heart Surgery Fund

### Trustees' Report for the Year Ended 31 December 2024

#### ***Non- medical equipment***

The Fishtank on the Children's Cardiac Ward is used as a milestone for children to walk towards during their recovering from heart surgery, and it creates a calm space for children while on the ward. We are pleased to have funded the upkeep of the fishtank again this year. Katie Bear is our CHSF mascot, known by everyone connected with our charity and loved by children. 234 individual Katie Bears and medals were given out to babies and children who had open heart surgery at Leeds in the last year. We were also able to approve a grant for 34 kindles to create a digital library on the Ward. This wonderful initiative will be delivered in partnership with Rose's Library and removes the barriers of bringing books onto the ward which are not compliant with NHS infection control measures. Other ward facilities we have funded this year include cot mobiles and mirrors which help with play and stimulation in babies who would otherwise have limited exposure to new and different environments.

#### ***Family Support***

Our Family Support Team, made up of our Head of Family Support and Youth Support Worker, worked with 288 families this year. Every family is different, our support is tailored and offered over a range of wellbeing and practical activities which includes signposting to specialist services. We also provide financial help to families in the form of food vouchers, travel grants and emergency support. Our service was rated 5/5 in 2024 across a demographic of families in our annual survey. We supported almost 300 families to access hospital accommodation at the Brotherton Wing last year, and we continue to financially support Eckersley House, run by the Sick Children's Trust, who provide additional accommodation for heart families. In 2024 our Family Support team tested out Cardiac Cafes delivered out in the community across the region. The Cardiac Cafes bring heart families together to connect, offer peer support and meet local services. These have been well received, and plans are in place to build this into our delivery timetable throughout the next year. Our Youth Support Worker ran a young people's event and has worked closely with the clinical team to develop information and resources to support young people to transition to adult services. We have plans to continue to grow our Family Support team next year with the recruitment of a Family Support Inclusion Worker to ensure our help and support is tailored to the diverse needs of our heart families.

#### ***Specialist Medical Posts***

CHSF has been able to fund regional Children's Cardiac Nurse Specialists (CCNS). They have become an extension of the Leeds team, and their hard work is valued greatly. In some cases, these regional roles have been initially funded by CHSF and then picked up by the particular Trust. There are currently regional CCNS's in post at hospitals in Sheffield, Grimsby, Scunthorpe, Rotherham, Bradford and Halifax.

#### ***Public benefit***

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

#### ***Fundraising***

Children's Heart Surgery Fund receives no statutory funding and relies 100% on voluntary donations, grants and legacies. We actively support individuals and groups fundraising in aid of the charity in the community and develop successful corporate partnerships across Yorkshire & the Humber, North Lincolnshire and North Derbyshire to raise funds. In 2024, we did not use a third-party professional or commercial participator.

## Children's Heart Surgery Fund

### Trustees' Report for the Year Ended 31 December 2024

#### Financial review

##### **Going concern**

Trustees reasonably expect the charity to have adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. The trustees have developed a new two-year strategy supported by budgets and projections for the period covered by the strategy.

##### **Results for the year**

The attached financial statements show the results of the Charity for the year ended 31 December 2024.

The £127,428 net deficit for the year after investment gains and losses utilised designated reserves for organisational development to better position the charity to deliver its new two-year strategy. Reserves are in line with the reserves policy. Overall income was £1,041,517 the second highest achieved by the charity following an exceptional corporate partnership in 2023.

Expenditure has been kept under tight control and includes costs of organisational development.

The Charity has spent £468,088 on supporting its beneficiaries.

##### **Reserves policy**

The Charity Commission uses the term 'reserves' to describe that part of a charity's freely available income funds.

'Reserves' are therefore the resources that Children's Heart Surgery Fund has or can make available to spend for any or all the charity's purposes once it has met its commitments and covered its other planned expenditure. Responsibility for establishing an appropriate reserves policy lies with trustees, who understand the business of the Charity.

Trustees amended the policy in 2024, and agreed the charity should aim to maintain reserves sufficient to cover four to eight months' costs, excluding costs of direct support to beneficiaries.

The Charity will endeavour to ensure that the reserves remain within the agreed range through;

- Creation of detailed budgets and plans to estimate likely cash inflows and outflows over the budget year
- Careful monitoring of the reserves levels through the regular Finance and Risk Committee meetings and Trustee meetings.

At the year end, the charity held £487,658 in total of reserves and designated reserves representing 7.3 months' costs, excluding costs of direct support to beneficiaries.

During the year the trustees released designated funds of £100,000 for organisational development and retained £25,000 for further organisational development work and £200,000 for family accommodation. The charity also held restricted funds of £111,252 (2023 - £57,910) see note 21 for more details.

## Children's Heart Surgery Fund

### Trustees' Report for the Year Ended 31 December 2024

#### ***Investment policy and objectives***

The investment manager regularly meets Trustees to assess portfolio performance, risk management, future market expectations and the long-term investment strategy. The portfolio was valued at £635,045, with income received in the period £13,539. Trustees are satisfied with the level of return achieved during the Year. The actual income yield is 1.7%, with income and capital yield received being 6.2%.

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

##### ***Future developments***

Following the completion of CHSF's current plan, we took a collaborative approach to the development of a new two-year strategy which was launched in December 2024. The Trustees planned the two-year timeframe to coincide with the expected date of the new Leeds Children's Hospital, and also to allow the new CEO to be settled into post. The objectives and direction of our work has been led by the feedback of heart families, young people and adults. The Senior Leadership Team and Trustees revised our Vision and Mission and defined our strategic objectives over the next two year (2025-2027).

##### **Our Vision:**

Empowered lives for everyone born with Congenital Heart Disease in our region.

##### **Our Mission:**

We enable children, adults and families affected by congenital heart disease to live empowered lives, through holistic support services and by providing vital resources to the Leeds Congenital Heart Unit and region.

##### **Our Objectives:**

1. Support to empower individuals and families.

We offer a range of practical, emotional, financial and sign-posting support for cardiac families in our region.

2. Support to enable seed funding and partnerships.

We fundraise to resource seed funding for job roles, larger equipment, research and activities to improve overall patient experience that is beyond the scope and resource of the NHS.

We cultivate and strengthen collaborative relationships with partners, charities, networks, corporates and families to deliver the appropriate outcomes for patients and families.

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

##### ***Nature of governing document***

The charity is registered as a charitable company limited by guarantee and constituted under the articles of association.

The registered charity number is 1148359.

##### ***Recruitment and appointment of trustees***

The Board of Trustees appoints trustees. Trustees hold office for five years, after which period they may put themselves forward for reappointment. Appointment review dates are structured to ensure continuity of experience and to allow for succession planning.

## **Children's Heart Surgery Fund**

### **Trustees' Report for the Year Ended 31 December 2024**

#### ***Induction and training of trustees***

New Trustees are recruited to ensure that collectively the Board maintains a broad range of varied backgrounds, skills, and experience. We endeavour to provide our beneficiaries' needs reflected by the Board's diversity in terms of the skills and interests represented.

Potential Trustees are briefed to ensure they understand the Charity's objectives, activities, strategy and ethos.

#### ***Key management personnel remuneration***

Remuneration for Key Management Personnel is agreed at board level.

#### ***Organisational structure***

The Trustees are required to meet twice as a minimum in every calendar year but meet at least five times a year to assess grant applications, review fundraising activity and evaluate ongoing projects and discuss any other matters that may arise.

Day-to-day management of the Charity is delegated to the Chief Executive. During the inter-regnum, trustees stepped up to provide interim management for the team.

An annual budget is prepared and approved by the Trustees at the beginning of each year, incorporating the projected costs of agreed commitments under the equipment, research, training, management and family support headings.

#### **Risk management**

The Finance and Risk Sub-Committee of the Board of Trustees is responsible for CHSF's risk register. This is reviewed at quarterly meetings and recommendations are made at Board meetings. We take cyber-security threats seriously and we plan to review our IT support to ensure we are working towards Cyber Essentials accreditation over the next year. A priority area for CHSF in the next operational year is the recruitment of up to four new Trustees to replace a small number due to come to the end of their tenure. To protect capacity for this, the Interim CEO from last year will continue to work closely with the CEO and Chair in a consultancy role to support this work which will include a skills audit to identify gaps and inform the recruitment exercise. We are also enhancing our Trustee induction and onboarding policy in preparation for new members joining and to continue to maximise the skills and experience of the Board over the next five years.

## Children's Heart Surgery Fund

### Trustees' Report for the Year Ended 31 December 2024

#### Reference and Administrative Details

Charity Registration Number: 1148359

Company Registration Number: 08152970

The charity is incorporated in England and Wales.

Registered Office: B5 Joseph's Well  
Hanover Walk  
LEEDS  
LS3 1AB

Auditor: HPH  
54 Bootham  
YORK  
YO30 7XZ

Bankers: Virgin Money  
P.O. Box 17  
19 St. Sepulchre Gate  
DONCASTER  
DN1 1SJ

## Children's Heart Surgery Fund

### Trustees' Report for the Year Ended 31 December 2024

#### Trustees and officers

The trustees and officers serving during the year and since the year end were as follows:

Trustees:	S J Robinson
	C A M Van Doorn
	C W Clewes
	W M Haigh
	P A Goodwin (resigned 31 December 2024)
	C L Daniels
	M J Fidler
	M Bissell
	A Conchie
	K J Brady

Senior Management / Leadership Team: K Hainsworth, Interim Chief Executive Officer (appointed 22 January 2024)

#### Statement of trustees' responsibilities

The trustees (who are also the directors of Children's Heart Surgery Fund for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including its income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and 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, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

## Children's Heart Surgery Fund

### Trustees' Report for the Year Ended 31 December 2024

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

#### **Disclosure of information to auditor**

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

#### **Reappointment of auditor**

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of HPH as auditors of the charity is to be proposed at the forthcoming Annual General Meeting.

The annual report was approved by the trustees of the charity on 25 June 2025 and signed on its behalf by:

*Kieran Brady*

.....  
K J Brady  
Trustee

## **Children's Heart Surgery Fund**

### **Independent Auditor's Report to the Members of Children's Heart Surgery Fund**

#### **Opinion**

We have audited the financial statements of Children's Heart Surgery Fund (the 'charity') for the year ended 31 December 2024, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

#### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

## **Children's Heart Surgery Fund**

### **Independent Auditor's Report to the Members of Children's Heart Surgery Fund**

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of trustees**

As explained more fully in the Statement of trustees' responsibilities (set out on page 9 and 10), the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

## **Children's Heart Surgery Fund**

### **Independent Auditor's Report to the Members of Children's Heart Surgery Fund**

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks within which the company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 together with the Charities SORP (FRS102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.
- In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. The laws and regulations we considered in this context were Health and Safety legislation, Employment legislation, Charity Commission regulations and General Data Protection Regulation (GDPR).
- Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.
- We also considered the opportunities and incentives that may exist within the charitable company for fraud.
- We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management and income recognition.

In response to the risk of irregularities and non-compliance with laws and regulations and risk of fraud, we designed procedures which included but were not limited to: sample testing on the posting of journals, timing of recognition of income, review of trustee's minutes and any correspondence with regulators.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations. These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion, or the provision of intentional misrepresentations. We are not responsible for preventing fraud and cannot be expected to detect all fraud.

## Children's Heart Surgery Fund

### Independent Auditor's Report to the Members of Children's Heart Surgery Fund

#### Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

*Sarah Wearing*

.....  
Sarah Wearing, FCA, DChA (Senior Statutory Auditor)  
For and on behalf of HPH, Statutory Auditor

54 Bootham  
YORK  
YO30 7XZ

25 June 2025

## Children's Heart Surgery Fund

### Statement of Financial Activities for the Year Ended 31 December 2024 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
<b>Income and Endowments from:</b>					
Donations and legacies	3	649,489	238,764	888,253	1,180,278
Other trading activities	4	139,725	-	139,725	131,365
Investment income	5	13,539	-	13,539	12,535
Total income		<u>802,753</u>	<u>238,764</u>	<u>1,041,517</u>	<u>1,324,178</u>
<b>Expenditure on:</b>					
Raising funds	6	(384,292)	(3,800)	(388,092)	(361,691)
Charitable activities	7	(623,599)	(181,622)	(805,221)	(691,560)
Total expenditure		(1,007,891)	(185,422)	(1,193,313)	(1,053,251)
Gains/losses on investment assets		24,367	-	24,367	32,946
Net (expenditure)/income		<u>(180,771)</u>	<u>53,342</u>	<u>(127,429)</u>	<u>303,873</u>
Net movement in funds		(180,771)	53,342	(127,429)	303,873
<b>Reconciliation of funds</b>					
Total funds brought forward		<u>681,788</u>	<u>57,910</u>	<u>739,698</u>	<u>435,825</u>
Total funds carried forward	21	<u>501,017</u>	<u>111,252</u>	<u>612,269</u>	<u>739,698</u>

All of the charity's activities derive from continuing operations during the above two periods.  
The funds breakdown for 2023 is shown in note 21.

**Children's Heart Surgery Fund**  
**(Registration number: 08152970)**  
**Balance Sheet as at 31 December 2024**

	Note	2024 £	2023 £
<b>Fixed assets</b>			
Intangible assets	13	81	124
Tangible assets	14	13,279	12,195
Investments	15	<u>635,045</u>	<u>603,217</u>
		<u>648,405</u>	<u>615,536</u>
<b>Current assets</b>			
Stocks	16	14,129	14,540
Debtors	17	141,504	263,017
Cash at bank and in hand		<u>214,605</u>	<u>222,827</u>
		370,238	500,384
<b>Creditors: Amounts falling due within one year</b>	18	<u>(406,374)</u>	<u>(376,222)</u>
<b>Net current (liabilities)/assets</b>		<u>(36,136)</u>	<u>124,162</u>
<b>Net assets</b>		<u>612,269</u>	<u>739,698</u>
<b>Funds of the charity:</b>			
Restricted funds		111,252	57,910
Designated Funds		225,000	325,000
General Funds		<u>276,017</u>	<u>356,788</u>
Total unrestricted funds		<u>501,017</u>	<u>681,788</u>
<b>Total funds</b>	21	<u>612,269</u>	<u>739,698</u>

The financial statements on pages 15 to 36 were approved by the trustees, and authorised for issue on 25 June 2025 and signed on their behalf by:

*Matthew Fidler*

.....  
M J Fidler  
Trustee

*Kieran Brady*

.....  
K J Brady  
Trustee

The notes on pages 18 to 36 form an integral part of these financial statements.

## Children's Heart Surgery Fund

### Statement of Cash Flows for the Year Ended 31 December 2024

	Note	2024 £	2023 £
<b>Cash flows from operating activities</b>			
Net cash (expenditure)/income		(127,428)	303,873
<b>Adjustments to cash flows from non-cash items</b>			
Depreciation		6,225	9,389
Amortisation		43	-
Investment income		(13,539)	(12,535)
Loss on disposal of tangible fixed assets		181	-
Revaluation of investments		(24,367)	(32,946)
		<u>(158,885)</u>	<u>267,781</u>
<b>Working capital adjustments</b>			
Decrease in stocks	16	411	2,309
Decrease/(increase) in debtors	17	121,513	(231,401)
Increase/(decrease) in creditors	18	30,151	(92,112)
Net cash flows from operating activities		<u>(6,810)</u>	<u>(53,423)</u>
<b>Cash flows from investing activities</b>			
Acquisitions of tangible assets		(7,490)	(874)
Acquisitions of investments		(360,414)	(164,677)
Proceeds from sale of investments		348,455	257,680
Cash movements in investments		4,498	971
Dividend income		13,539	12,535
Net cash flows from investing activities		<u>(1,412)</u>	<u>105,635</u>
Net (decrease)/increase in cash and cash equivalents		(8,222)	52,212
Cash and cash equivalents at 1 January		<u>222,827</u>	<u>170,615</u>
Cash and cash equivalents at 31 December		<u><u>214,605</u></u>	<u><u>222,827</u></u>
<b>Reconciliation of net cash flow to movement in net funds</b>			
(Decrease)/increase in cash		(8,222)	52,212
Net funds at 1 January 2024		<u>222,827</u>	<u>170,615</u>
Net funds at 31 December 2024		<u><u>214,605</u></u>	<u><u>222,827</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 18 to 36 form an integral part of these financial statements.

## Children's Heart Surgery Fund

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### 1 Charity status

The charity is a charitable company limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

B5 Joseph's Well  
Hanover Walk  
LEEDS  
LS3 1AB

These financial statements were authorised for issue by the trustees on 25 June 2025.

#### 2 Accounting policies

##### Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### Statement of compliance

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 (FRS 102)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

##### Basis of preparation

Children's Heart Surgery Fund 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 notes.

The charity's functional and presentational currency is GBP £.

##### Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

##### Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

## Children's Heart Surgery Fund

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### ***Donations and legacies***

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably.

In accordance with the Charities SORP (FRS 102), the time resource volunteers provide to the charity is not recognised and the Trustees' report details their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the company which is the amount the company would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

#### ***Grants receivable***

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

#### ***Donated services and facilities***

Where services or facilities are provided to the charity as a donation that would normally be purchased from our suppliers, this benefit is included in the financial statements at its fair value unless its fair value cannot be reliably measured, then at the cost to the donor or the resale value of goods that are to be sold.

#### ***Investment income***

Investment income is included when receivable and the amount can be measured reliably by the charity.

## Children's Heart Surgery Fund

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

All expenditure is inclusive of irrecoverable VAT.

#### **Raising funds**

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Leeds General Infirmary.

#### **Charitable activities**

Charitable activities and Governance costs are costs incurred on the charity's educational operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

#### **Grant expenditure**

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

#### **Grant provisions**

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

#### **Support costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

## Children's Heart Surgery Fund

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### **Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### **Intangible assets**

Intangible assets are stated in the Balance Sheet at cost less accumulated amortisation and impairment. They are amortised on a straight line basis over their estimated useful lives.

#### **Tangible fixed assets**

Fixed assets are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

#### **Amortisation**

Amortisation is provided on intangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

<b>Asset class</b>	<b>Amortisation method and rate</b>
Trademarks	10% straight line

#### **Depreciation and amortisation**

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Equipment	25% straight line
Fixtures and fittings	25% straight line

#### **Fixed asset investments**

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

#### **Stock**

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

## Children's Heart Surgery Fund

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### **Debtors**

Accrued income are amounts due from donors for grants or receipts where the charity is entitled to the income.

Prepayments are valued at the amount prepaid net of any trade discounts due.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### **Liabilities**

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

#### **Fund structure**

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

#### **Pensions and other post retirement obligations**

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

## Children's Heart Surgery Fund

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### 3 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2024 £	Total 2023 £
Donations and legacies;				
Donations from individuals	483,185	124,754	607,939	893,739
Legacies	90,282	-	90,282	9,313
Gift aid reclaimed	66,147	-	66,147	63,719
Grants, including capital grants;				
Grants from other charities	9,875	114,010	123,885	134,826
Donated services and facilities	-	-	-	78,681
	<u>649,489</u>	<u>238,764</u>	<u>888,253</u>	<u>1,180,278</u>

#### 4 Income from other trading activities

	Unrestricted funds General £	Restricted funds £	Total 2023 £	Total 2023 £
Events income;				
Fundraising events	136,050	-	136,050	127,991
Other income	3,675	-	3,675	3,374
	<u>139,725</u>	<u>-</u>	<u>139,725</u>	<u>131,365</u>

#### 5 Investment income

	Unrestricted funds General £	Restricted funds £	Total 2024 £	Total 2023 £
Income from fixed asset investments	<u>13,539</u>	<u>-</u>	<u>13,539</u>	<u>12,535</u>

## Children's Heart Surgery Fund

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### 6 Expenditure on raising funds

##### a) Costs of generating donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2024 £	Total 2023 £
Staff Costs	297,959	-	297,959	263,260
Media and communication costs	7,468	-	7,468	13,465
Other direct costs of generating voluntary income	74,316	3,800	78,116	80,061
	<u>379,743</u>	<u>3,800</u>	<u>383,543</u>	<u>356,786</u>

##### b) Investment management costs

	Unrestricted funds General £	Restricted funds £	Total 2024 £	Total 2023 £
Other investment management costs;				
Portfolio management costs	4,549	-	4,549	4,905
	<u>4,549</u>	<u>-</u>	<u>4,549</u>	<u>4,905</u>

#### 7 Expenditure on charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2024 £	Total 2023 £
Hospital support services	231,837	92,488	324,325	336,439
Family support services	374,936	89,134	464,070	344,386
Governance	16,826	-	16,826	10,735
	<u>623,599</u>	<u>181,622</u>	<u>805,221</u>	<u>691,560</u>

## Children's Heart Surgery Fund

### Notes to the Financial Statements for the Year Ended 31 December 2024

	Activity undertaken directly £	Grant funding of activity (note 9) £	Activity support costs (note 8) £	Total expenditure £
Hospital support services	8,506	184,494	131,325	324,325
Family support services	227,303	47,786	188,981	464,070
Governance costs	-	-	16,826	16,826
<b>Total for 2024</b>	<u>235,809</u>	<u>232,280</u>	<u>337,132</u>	<u>805,221</u>
<b>Total for 2023</b>	<u>202,253</u>	<u>211,372</u>	<u>277,935</u>	<u>691,560</u>

#### 8 Analysis of governance and support costs

##### Support costs

	Family Services £	Hospital Support £	Governance £	Total 2024 £	Total 2023 £
Staff costs	126,432	87,859	-	214,291	184,151
Other staff related costs	22,197	15,425	-	37,622	15,257
Establishment costs	15,252	10,599	-	25,851	21,732
IT costs	13,466	9,357	-	22,823	19,794
Office costs	4,377	3,042	-	7,419	10,257
Professional costs	4,438	3,085	-	7,523	8,522
Depreciation and amortisation	2,712	1,884	-	4,596	7,487
Loss on sale of fixed asset	107	74	-	181	-
Governance	-	-	16,826	16,826	10,735
	<u>188,981</u>	<u>131,325</u>	<u>16,826</u>	<u>337,132</u>	<u>277,935</u>

The above support costs are allocated based on the % of direct costs allocated to each charitable activity.

## Children's Heart Surgery Fund

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### Governance costs

	Unrestricted funds General £	Total 2024 £	Total 2023 £
Audit fees			
Audit of the financial statements	7,200	7,200	7,200
Other fees paid to auditors	1,979	1,979	2,091
Trustee training and meeting costs	7,098	7,098	921
Trustee professional indemnity insurance	549	549	523
	<u>16,826</u>	<u>16,826</u>	<u>10,735</u>

#### 9 Grant-making

##### Analysis of grants

	Grants to institutions		Grants to individuals	
	2024	2023	2024	2023
	£	£	£	£
<b>Analysis</b>				
Equipment grants	53,428	(53,096)	-	-
Course attendance/ training grants	(4,976)	17,239	-	-
Other grants	136,042	223,915	-	-
Family support	29,204	-	18,582	23,314
	<u>213,698</u>	<u>188,058</u>	<u>18,582</u>	<u>23,314</u>

Below are details of material grants made to institutions

Name of institution	2024 £	2023 £
Yorkshire and Humber congenital heart disease network	<u>184,494</u>	<u>188,058</u>

## Children's Heart Surgery Fund

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### 10 Net incoming/outgoing resources

Net (outgoing)/incoming resources for the year include:

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Audit fees	7,200	7,200
Loss on disposal of fixed assets held for the charity's own use	181	-
Depreciation of fixed assets	<u>6,268</u>	<u>9,388</u>

#### 11 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

#### 12 Staff costs

The aggregate payroll costs were as follows:

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>Staff costs during the year were:</b>		
Wages and salaries	548,357	456,513
Social security costs	49,403	41,377
Pension costs	<u>42,709</u>	<u>40,484</u>
	<u>640,469</u>	<u>538,374</u>

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	<b>2024</b>	<b>2023</b>
	<b>No</b>	<b>No</b>
Administration	4	5
Fundraising & Marketing	8	7
Family services	<u>2</u>	<u>2</u>
	<u>14</u>	<u>14</u>

## Children's Heart Surgery Fund

### Notes to the Financial Statements for the Year Ended 31 December 2024

The number of employees whose emoluments fell within the following bands was:

	<b>2024 No</b>	<b>2023 No</b>
£60,001 - £70,000	1	1

The key management personnel of the charity comprise the Trustees and the Senior Leadership Team.

The total employee benefits of the key management personnel (including employer NIC and pension costs), with only senior leadership team members being paid, were £312,836 (2023 - £247,910).

#### 13 Intangible fixed assets

	<b>Trademarks £</b>	<b>Total £</b>
<b>Cost</b>		
At 1 January 2024	440	440
At 31 December 2024	440	440
<b>Amortisation</b>		
At 1 January 2024	316	316
Charge for the year	43	43
At 31 December 2024	359	359
<b>Net book value</b>		
At 31 December 2024	81	81
At 31 December 2023	124	124

## Children's Heart Surgery Fund

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### 14 Tangible fixed assets

	<b>Furniture and equipment £</b>	<b>Total £</b>
<b>Cost</b>		
At 1 January 2024	68,497	68,497
Additions	7,490	7,490
Disposals	<u>(8,585)</u>	<u>(8,585)</u>
At 31 December 2024	<u>67,402</u>	<u>67,402</u>
<b>Depreciation</b>		
At 1 January 2024	56,302	56,302
Charge for the year	6,225	6,225
Eliminated on disposals	<u>(8,404)</u>	<u>(8,404)</u>
At 31 December 2024	<u>54,123</u>	<u>54,123</u>
<b>Net book value</b>		
At 31 December 2024	<u>13,279</u>	<u>13,279</u>
At 31 December 2023	<u>12,195</u>	<u>12,195</u>

## Children's Heart Surgery Fund

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### 15 Fixed asset investments

##### Other investments

	Listed investments £	Unlisted investments £	Total £
<b>Cost or Valuation</b>			
At 1 January 2024	591,428	11,789	603,217
Additions	360,414	319,806	680,220
Disposals	(348,455)	(324,304)	(672,759)
Revaluation	24,367	-	24,367
At 31 December 2024	627,754	7,291	635,045
<b>Net book value</b>			
At 31 December 2024	627,754	7,291	635,045
At 31 December 2023	591,428	11,789	603,217

Unlisted investments are made up of the cash movements held in the portfolio.

#### 16 Stock

	2024 £	2023 £
Stocks	14,129	14,540

#### 17 Debtors

	2024 £	2023 £
Prepayments	15,933	13,977
Accrued income	125,571	249,040
	141,504	263,017

## Children's Heart Surgery Fund

### Notes to the Financial Statements for the Year Ended 31 December 2024

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

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Grants payable	382,727	335,467
Other creditors	2,083	2,431
Accruals	21,564	38,324
	<u>406,374</u>	<u>376,222</u>

#### 19 Pension and other schemes

##### Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £42,709 (2023 - £40,484).

#### 20 Related party transactions

During the year the charity made the following related party transactions:

##### **Pennine Signs**

(Trustee - Colin Clewes)

The charity purchased banners and stickers from the company at cost totalling £nil (2023: £294). At the balance sheet date the amount due to/from Pennine Signs was £Nil (2023 - £Nil).

##### **Trio Media**

(Trustee - Claire Daniels)

Services were provided free of charge by a company under the control of a Trustee. These were treated as gift in kind transactions with a total value for the year of £3,600 (2023: £3,600). At the balance sheet date the amount due to/from Trio Media was £Nil (2023 - £Nil).

## Children's Heart Surgery Fund

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### 21 Funds

	Balance at 01/01/2024 £	Incoming resources £	Resources expended £	Transfers £	Gains/ (losses) on investments £	Balance at 31/12/2024 £
<b>Restricted funds</b>						
INR kits	-	4,842	(4,342)	-	-	500
Kardia mobile devices	-	4,150	(2,362)	-	-	1,788
Family support worker	-	34,862	(24,750)	-	-	10,112
Welcome packs	-	3,000	(3,000)	-	-	-
Katie bears	-	265	(265)	-	-	-
Parent accomodation	6,274	5,072	(10,846)	-	-	500
Congenital heart unit	316	162	-	-	-	478
Christmas party	-	500	(500)	-	-	-
Blood pressure monitors	101	-	(101)	-	-	-
SLT post	8,000	20,290	(28,290)	-	-	-
MRI monitoring unit	-	40,018	(40,018)	-	-	-
Rose's little library	55	9,871	(1,180)	-	-	8,746
Family services (DCMS)	6,605	13,760	(20,365)	-	-	-
SEND project	3,271	-	(3,271)	-	-	-
BME support worker	33,288	-	(7,880)	-	-	25,408
Family Grants (food vouchers)	-	7,350	(5,820)	-	-	1,530
Wellbeing Trolley	-	5,150	(3,585)	-	-	1,565
Events for teenagers and young adults	-	500	(250)	-	-	250
GERLIS project	-	2,500	(2,500)	-	-	-
Supporter event	-	3,000	(3,000)	-	-	-
Weaning packs	-	2,100	(1,200)	-	-	900
PICU	-	4,672	-	-	-	4,672
Patients from meanwood	-	450	(115)	-	-	335
MRI Coil	-	20,500	(20,500)	-	-	-
Superhero event	-	800	(800)	-	-	-
Wellbeing support for young patients	-	6,200	-	-	-	6,200
Travel grants	-	3,750	(482)	-	-	3,268
Family services	-	45,000	-	-	-	45,000
<b>Total restricted funds</b>	<u>57,910</u>	<u>238,764</u>	<u>(185,422)</u>	<u>-</u>	<u>-</u>	<u>111,252</u>

## Children's Heart Surgery Fund

### Notes to the Financial Statements for the Year Ended 31 December 2024

	Balance at 01/01/2024 £	Incoming resources £	Resources expended £	Transfers £	Gains/ (losses) on investments £	Balance at 31/12/2024 £
<b>Unrestricted funds</b>						
<i>Designated</i>						
Organisational Development	125,000	-	-	(100,000)	-	25,000
Family accomodation - new children's hospital	<u>200,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>200,000</u>
	325,000	-	-	(100,000)	-	225,000
Undesignated unrestricted funds	<u>356,788</u>	<u>802,753</u>	<u>(1,007,890)</u>	<u>100,000</u>	<u>24,367</u>	<u>276,018</u>
<b>Total unrestricted funds</b>	<u>681,788</u>	<u>802,753</u>	<u>(1,007,890)</u>	<u>-</u>	<u>24,367</u>	<u>501,018</u>
<b>Total funds</b>	<u>739,698</u>	<u>1,041,517</u>	<u>(1,193,312)</u>	<u>-</u>	<u>24,367</u>	<u>612,270</u>

## Children's Heart Surgery Fund

### Notes to the Financial Statements for the Year Ended 31 December 2024

	Balance at 01/01/2023 £	Incoming resources £	Resources expended £	Transfers £	Gains/(losses) on investments £	Balance at 31/12/2023 £
<b>Restricted</b>						
INR kits	-	10,405	(10,405)	-	-	-
Kardia mobile devices	92	4,124	(4,216)	-	-	-
Family support worker	-	4,860	(4,860)	-	-	-
Welcome packs	-	1,645	(1,645)	-	-	-
Katie bears	-	540	(540)	-	-	-
MRI exercise bike	-	5	(5)	-	-	-
Supporting children	1,568	49	(1,617)	-	-	-
ECMO landing monitor	-	3,000	(3,000)	-	-	-
Parent accomodation	-	6,274	-	-	-	6,274
Wharfedale ECHO	-	64,526	(64,526)	-	-	-
Congenital heart unit	331	611	(626)	-	-	316
Katie bear certificates	-	150	(150)	-	-	-
Christmas party	-	2,000	(2,000)	-	-	-
Katie bear medals	-	173	(173)	-	-	-
Colostrum packs	-	300	(300)	-	-	-
MRI infusion pumps	-	2,000	(2,000)	-	-	-
Blood pressure monitors	-	1,254	(1,153)	-	-	101
Imaging project	-	(40,500)	40,500	-	-	-
Easter event	-	358	(358)	-	-	-
Medical gaming cart	-	1,806	(1,806)	-	-	-
Cardiac cafes	-	600	(600)	-	-	-
SLT post	-	8,000	-	-	-	8,000
Dentistry books	-	1,000	(1,000)	-	-	-
MRI monitoring unit	-	1,000	(1,000)	-	-	-
Echo reporting & analysis	-	120,000	(120,000)	-	-	-
Rose's little library	-	55	-	-	-	55
Family services (DCMS)	-	61,130	(54,525)	-	-	6,605
SEND project	-	13,806	(10,535)	-	-	3,271
BME support worker	-	33,288	-	-	-	33,288
<b>Total restricted funds</b>	<u>1,991</u>	<u>302,459</u>	<u>(246,540)</u>	<u>-</u>	<u>-</u>	<u>57,910</u>
<b>Unrestricted funds</b>						
Unrestricted undesigned funds	<u>433,834</u>	<u>1,021,719</u>	<u>(806,711)</u>	<u>(325,000)</u>	<u>32,946</u>	<u>356,788</u>

## Children's Heart Surgery Fund

### Notes to the Financial Statements for the Year Ended 31 December 2024

	Balance at 01/01/2023 £	Incoming resources £	Resources expended £	Transfers £	Gains/(losses) on investments £	Balance at 31/12/2023 £
<b><i>Designated</i></b>						
Organisational Development	-	-	-	125,000	-	125,000
Family accomodation - new children's hospital	-	-	-	200,000	-	200,000
	<u>-</u>	<u>-</u>	<u>-</u>	<u>325,000</u>	<u>-</u>	<u>325,000</u>
<b>Total unrestricted funds</b>	<u>433,834</u>	<u>1,021,719</u>	<u>(806,711)</u>	<u>-</u>	<u>32,946</u>	<u>681,788</u>
<b>Total funds</b>	<u>435,825</u>	<u>1,324,178</u>	<u>(1,053,251)</u>	<u>-</u>	<u>32,946</u>	<u>739,698</u>

## Children's Heart Surgery Fund

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### 22 Analysis of net assets between funds

	Unrestricted funds		Restricted funds	Total funds at 31 December 2024
	General	Designated		
	£	£	£	£
Intangible fixed assets	81	-	-	81
Tangible fixed assets	13,279	-	-	13,279
Fixed asset investments	410,045	225,000	-	635,045
Current assets	258,986	-	111,252	370,238
Current liabilities	(406,374)	-	-	(406,374)
<b>Total net assets</b>	<b>276,017</b>	<b>225,000</b>	<b>111,252</b>	<b>612,269</b>

	Unrestricted funds		Restricted funds	Total funds at 31 December 2023
	General	Designated		
	£	£	£	£
Intangible fixed assets	124	-	-	124
Tangible fixed assets	12,195	-	-	12,195
Fixed asset investments	278,217	325,000	-	603,217
Current assets	322,474	-	177,910	500,384
Current liabilities	(256,222)	-	(120,000)	(376,222)
<b>Total net assets</b>	<b>356,788</b>	<b>325,000</b>	<b>57,910</b>	<b>739,698</b>

#### 23 Analysis of net funds

	At 1 January 2024	Financing cash flows	At 31 December 2024
	£	£	£
Cash at bank and in hand	222,827	(8,222)	214,605
Net debt	222,827	(8,222)	214,605

	At 1 January 2023	Financing cash flows	At 31 December 2023
	£	£	£
Cash at bank and in hand	170,615	52,212	222,827
Net debt	170,615	52,212	222,827

**CHILDREN'S HEART SURGERY FUND**

England & Wales - Charity number 1148359

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# Accounts

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Company registration number: 08152970

Charity registration number: 1148359

# Children's Heart Surgery Fund

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2023

HPH  
54 Bootham  
YORK  
YO30 7XZ

## **Children's Heart Surgery Fund**

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## **Children's Heart Surgery Fund**

### **Trustees' Report for the Year Ended 31 December 2023**

The Trustees (who are also directors of the Charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of the Children's Heart Surgery Fund (the company) for the year ended 31 December 2023. The Trustees confirm that the company's annual report and financial statements comply with the current statutory requirements, the requirements of the charity's governing document, and the provisions of the Statement of Recommended Practice (SORP).

Since the Charity qualifies as small company under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

#### **Objectives and activities**

##### ***Objects and aims***

The Charity's main objective is to enhance the quality of care and support available to babies, young children, and adult congenital cardiac patients treated at the Leeds Congenital Heart Unit (LCHU), based at Leeds General Infirmary. This objective is presently fulfilled for the benefit of the public in several ways:

- Provision of new and primary equipment not available from NHS resources to improve the care available to the Leeds Congenital Heart Unit beneficiaries. The Charity also awards grants to Leeds Congenital Cardiac staff to attend specialist courses unavailable to them through the NHS to further their expertise to improve patient care.
- Supply of equipment and other items makes the children's wards and play areas more user friendly and more conducive to a child's recovery while under the care of the Congenital Heart ward.
- Funding a small number of specialist research projects and posts, when the need arises, which enhances knowledge and expertise in the field to benefit future beneficiaries.
- Funding for the costs of medical, nursing and other health professionals with a view to the positions eventually being funded by LTHT.
- Funding for family accommodation.
- Providing Family Support service to give ongoing emotional, financial and practical support that is otherwise unavailable.

##### ***Grant making policies***

The organisation's objectives are achieved through:

- provision of a family support service to those attending LCHU for treatment.
- grants provided directly to families or to enhance the LCHU world-class service.

## Children's Heart Surgery Fund

### Trustees' Report for the Year Ended 31 December 2023

#### ***Grant making policies (continued)***

##### ***a) Beneficiary Status***

The Charity will consider relevant applications for grants from:

1. LTHT clinicians and employees working for the Leeds Congenital Heart Service
2. Congenital heart patients & their families
3. Voluntary organisations
4. Charitable organisations

##### ***b) Geographical area***

The Charity provides regional support, in line with the support given from the Leeds Congenital Heart Unit, which covers Yorkshire & the Humber, North Lincolnshire and North Derbyshire.

##### ***c) Size of grants***

The amount of each grant varies, depending on the project. Trustees set budgets for grant expenditure based on anticipated income and the need to maintain an appropriate level of reserves.

##### ***d) Assessment process***

Relevant information is gathered via submitted application forms.

Applications are considered by the Chief Executive Officer and SLT, The Finance and Risk Sub-Committee or the Trustee Board, as determined by agreed authority levels. Decisions are made based on the extent to which the proposal furthers the aims and objectives of the charity, and the scope of available resources.

##### ***e) Post Award Review***

The Charity reserves the right to request, from the applicant, confirmation that funds have been spent appropriately. It may also, where appropriate, ask applicants for one or more report(s) to update CHSF trustees on the progress of the project and assess the effectiveness of any funding. The report should be submitted to the Trustees within six months.

#### ***Volunteers***

Volunteers play a key and valued role in the charity's fundraising operations. Volunteers are supported in their activities by the Charity's professional fundraising team in accordance with organisational policies.

## **Children's Heart Surgery Fund**

### **Trustees' Report for the Year Ended 31 December 2023**

#### **Achievements and performance**

Overall the financial performance was excellent, exceeding target and delivering more funds to charitable use than the previous year. Throughout the year there were staff changes: the Philanthropy Team was enhanced with an additional capacity as was the Family Support team. The departure of the CEO in early December was a major change and the Trustees stepped in to take a more executive role and appointed an Interim CEO in December to start work in late January. As these new staff members settle in, we're setting a solid foundation for a successful 2024.

Looking ahead, the Charity is focused on consolidating its recent growth, and delivering on the new roles in Philanthropy and Family Support to deliver for families across the region and support the core deliverables in Leeds Hospital. CHSF published its fifth impact report which is available online here.

Year on year, we continue to reach a sizeable growing audience on social media and in the regional press. Research tells us we have a more extensive community following than some of the larger competitor health care charities on social channels such as Facebook (presently with 13.6k followers, as opposed to under 12k followers for peer competitors like Candlelighters and Tiny Tickers) and in 2023 we averaged at 6 online PR stories per month in local online and printed press.

We continue to deliver on agreed projects for the hospital and continue to support Eckersley House as they provide accommodation for some of our families when our rooms on the hospital site are full. Looking ahead, we intend to continue collaboration with other complimentary charities. Supporters welcome Charities working together to reach common aims.

#### ***Medical equipment and training support***

In 2023, as well as supporting the LCHU, we extended our support for equipment out into the Regional Hospitals to allow specialist cardiac clinics to be run closer to patients' homes, this included an allocation of £87,526 for a cardiac ultrasound machine for a new cardiac outpatient's service at Wharfedale Hospital in West Yorkshire. This has had a very positive impact on members of our community, reducing travel time and costs, and intrusion on daily living. It has also reduced the stress factor for many, of travelling to Leeds for scans.

The Medical equipment funded by CHSF is not available from NHS resources and improves the care available to congenital heart patients at LCHU and across the region.

In 2023, we continued to supply INR testing kits. These are pieces of equipment that enable patients to check their blood levels in the comfort of their homes. These are essential machines for high-risk patients to prevent a blood clot that could lead to a potential stroke. The impact of these devices upon individuals' lives is huge. Primarily, they reduce the amount of time in hospital for check-ups and empower patients to feel more in control of their condition.

Kardia mobile devices and blood pressure monitors have also been a focus of support for adult patients living with Congenital Heart Disease. Being able to make these personal devices available to those we support, has given them a level of autonomy they have never felt before.

Training support for the Leeds Congenital Heart Unit and Cardiac specialist staff across the region increased with us funding a full Training Away Day for 100 staff as well as support for individuals' travel, courses and accommodation. Funding to attend specialist courses, not otherwise available through the NHS, enhances expertise and therefore quality of care.

## **Children's Heart Surgery Fund**

### **Trustees' Report for the Year Ended 31 December 2023**

#### ***Non- medical equipment***

A grant was given to enhance the Echo-cardiogram areas with child-friendly mural/wall art and sensory toys and lights which helps to minimise stress for children and thereby optimises the chance for diagnostic accuracy of scans. Similarly, the Neonatal Department received a grant for children's sensory equipment. We continue to supply iPads, toys, craft packs and play resources to the children's cardiac ward and a fish tank. The overall aim is to aid patient recovery.

We also funded a patient education video explaining the congenital heart condition 'Transposition of the Great Arteries'.

CHSF created two books underlining the importance of dental health to help mitigate the risks of endocarditis amongst CHD patients, one for children with CHD and the other for their parents. These are being given out freely at clinics in Leeds, and across the region. We also produced activity pads and coloured pencils for outpatients clinics across the region, to help distract young patients during routine visits.

#### ***Family Support***

The charity supports patients and families during their hospital stay to ensure their basic needs are met. We provide various support packages which are relevant to their circumstances and offer this at key engagement points to ensure consistency and reassurance. Due to the service becoming more established and the rise in cost of living we are experiencing an increased demand for practical and emotional support where families are struggling to fund their hospital stay. Our financial package includes food vouchers, travel grants and exceptional grants.

We are also completing external grants as well as supporting with debts and finances through signposting to prevent families from experiencing debt and financial crisis due to their child's hospital admission.

We continue to network and collaborate with external local service providers to deliver appropriate support and ensure this continues for those families who require it following discharge. We work closely with the clinical teams within the Leeds Congenital Heart unit and peripheral clinics to tailor support to families to offer continuous care.

We are now expanding the support we offer and have newly appointed a full-time family support/Youth worker to meet the transitional needs of patients moving to adult care.

In 2023 CHSF continued to contribute to the upkeep of our parents' accommodation on Brotherton Wing and provided financial support to Eckersley House run by the Sick Children's Trust. It is clear that this is a priority for parents and carer's to be close to their child when in hospital and will be considered a priority for the service in planning for future strategies and provisions.

## **Children's Heart Surgery Fund**

### **Trustees' Report for the Year Ended 31 December 2023**

#### ***Support for Specialist Medical Posts***

In 2023 Trustees continued to focus support on cardiac clinics run by Hospitals across the regions, which form part of the Yorkshire and Humber Congenital Heart Network. Specialist Nursing Posts for Rotherham and Hull were funded for 15- 24 months. This allows the impact to be measured and the business case to be made for the NHS to continue these posts which enable specialist patient follow up to be delivered closer to home. Reports from late 2023 showed the regional nurses funded since 2022 had supported over 3,000 patients across the areas they served.

A grant was also given to fund a Cardiac Specialist Speech and Language Therapist at LCHU to address the high number of feeding issues with child cardiac patients, which can prevent them from being able to eat, leading to the necessity of long-term tube feeding. This grant will improve feeding and communication outcomes and assist the development of cardiac children, whilst providing evidence for NHS continuation funding of this post.

#### ***Practical support***

In 2023 we continued to provide items to aid administration, such as giving folders for patients and contact cards for staff to ensure patients and families had their up-to-date contact information. We also provided Wi-Fi for the parent accommodation area to access the internet while staying overnight.

#### ***Public benefit***

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

#### ***Fundraising***

Children's Heart Surgery Fund receives no statutory funding and relies 100% on voluntary donations, grants and legacies. We actively support individuals and groups fundraising in aid of the charity in the community and develop successful corporate partnerships across Yorkshire & the Humber, North Lincolnshire and North Derbyshire to raise funds. In 2023, we did not use a third-party professional or commercial participator.

We delivered face to face events with the Superhero Walk, Abseil, Halloween event and the Children's Christmas Party.

We continued to see an increase in supporters using the JustGiving platform, shifting from Facebook giving, which is positive as we can claim Gift Aid through Just Giving but not through the Social Media platforms. In 2023, Facebook Fundraising declined from £23k (2022) to £12k (2023) but Just Giving increased from £160k (2022) to £370k (2023).

Our Philanthropy Team raise funds from Trusts and Foundations, major donors and legacy giving and work closely with the Fundraising and Marketing Teams to support and steward donors. The Head of Fundraising left during the year, and the team was managed directly by the CEO until January 2024 when the new Head of Fundraising joined. A new Trusts and Foundations Fundraiser joined the Philanthropy team in November 2023. CHSF have a longstanding Marketing and Fundraising committee overseen by two Trustees, who oversee governance, provide guidance, and ensure compliance with the Fundraising Code of conduct, and excellent supporter stewardship.

## **Children's Heart Surgery Fund**

### **Trustees' Report for the Year Ended 31 December 2023**

- CHSF raised funds directly and by assisting its supporters to raise funds. No professional fundraiser or commercial participator carried out any fundraising activities.
- CHSF subscribes to the Fundraising regulatory body.
- Supporters raising funds for the charity have access to information and tools developed by the charity's fundraising team.
- There is no known failure by the charity, or by any person acting on its behalf, to comply with fundraising standards or scheme for fundraising regulation that the charity or the person acting on its behalf has voluntarily subscribed to.
- Where the charity is aware of funds being raised on its behalf, the situation is monitored to ensure that funds are received by the charity.
- No complaints were received by the charity, or by a person acting on its behalf for the purposes of fundraising, about fundraising activity.
- The charity adheres to the marketing preferences specified by its supporters.

#### **Financial review**

##### ***Going concern***

Trustees reasonably expect the charity to have adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. CHSF delivered substantially in excess of target during 2023. The trustees allocated cost of living salary awards and have designated reserves that will further strengthen the team's resilience, and provide some extra support/capacity around systems and a move to a more appropriate office space, and will provide funds to support the new children's hospital in Leeds.

##### ***Results for the year***

The attached financial statements show the results of the Charity for the year ended 31 December 2023.

The £303,873 net surplus for the year after investment gains and losses reflected the hard work of the team, and enabled £325,000 of designated reserves to be established. Reserves are now in line with the reserves policy. Overall income was 55.7% above the previous year.

Expenditure has been kept under tight control. The Charity has spent £413,627 on supporting its beneficiaries.

## Children's Heart Surgery Fund

### Trustees' Report for the Year Ended 31 December 2023

#### ***Reserves policy***

The Charity Commission uses the term 'reserves' to describe that part of a charity's freely available income funds.

'Reserves' are therefore the resources that Children's Heart Surgery Fund has or can make available to spend for any or all the charity's purposes once it has met its commitments and covered its other planned expenditure. Responsibility for establishing an appropriate reserves policy lies with trustees, who understand the business of the Charity.

Trustees amended the policy in 2019, and agreed the charity should aim to maintain reserves sufficient to cover six months' costs, excluding costs of direct support to beneficiaries: following a temporary increase to 12 months' costs during the covid pandemic, the permanent policy of six months' costs, excluding costs of direct support to beneficiaries was re-instated September 2022. This will provide enough reserves to respond to any significant change in the external environment.

The Charity will endeavour to ensure that the reserves remain within the agreed range through;

- Creation of detailed budgets and plans to estimate likely cash inflows and outflows over the budget year
- Careful monitoring of the reserves levels through the regular Finance and Risk Committee meetings and Trustee meetings.

At the year end the charity held unrestricted undesignated funds of £356,788 which is the equivalent of between 6-7 months costs, excluding costs of direct support to beneficiaries.

During the year the trustees designated funds of £325,000 for organisational development and family accomodation. The charity also held restricted funds of £57,910 (2022 - £1,991) see note 22 for more details.

#### ***Investment policy and objectives***

The investment manager regularly meets Trustees to assess portfolio performance, risk management, future market expectations and the long-term investment strategy. The portfolio was valued at £603,217, with income received in the period £12,535. Trustees are satisfied with the level of return achieved during the Year. The actual income yield is 2.2%, with income and capital yield received being 7.2%.

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

##### ***Future developments***

Overall, CHSF's 5-year strategy continues to support the Leeds Congenital Heart Unit as a World Class centre of excellence by carrying on with the funding of equipment, education and some staff posts, along with many other areas of support. During 2024 the focus remains the four key areas: The Heart, the Mind, the Family, and the Future.

As this is the final year of the existing plan, the charity will be preparing its new long-term plan in the Autumn.

## **Children's Heart Surgery Fund**

### **Trustees' Report for the Year Ended 31 December 2023**

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

##### ***Nature of governing document***

The charity is registered as a charitable company limited by guarantee and constituted under the articles of association.

The registered charity number is 1148359.

##### ***Recruitment and appointment of trustees***

The Board of Trustees appoints trustees. Trustees hold office for five years, after which period they may put themselves forward for reappointment. Appointment review dates are structured to ensure continuity of experience and to allow for succession planning.

##### ***Induction and training of trustees***

New Trustees are recruited to ensure that collectively the Board maintains a broad range of varied backgrounds, skills, and experience. We endeavour to provide our beneficiaries' needs reflected by the Board's diversity in terms of the skills and interests represented.

Potential Trustees are briefed to ensure they understand the Charity's objectives, activities, strategy and ethos.

##### ***Key management personnel remuneration***

Remuneration for Key Management Personnel is agreed at board level.

##### ***Organisational structure***

The Trustees are required to meet twice as a minimum in every calendar year but meet at least five times a year to assess grant applications, review fundraising activity and evaluate ongoing projects and discuss any other matters that may arise.

Day-to-day management of the Charity is delegated to the Chief Executive. During the inter-regnum, trustees stepped up to provide interim management for the team.

An annual budget is prepared and approved by the Trustees at the beginning of each year, incorporating the projected costs of agreed commitments under the equipment, research, training, management and family support headings.

## Children's Heart Surgery Fund

### Trustees' Report for the Year Ended 31 December 2023

#### Risk management

The Trustees have assessed the significant risks to which the Charity is exposed, those related to the operations and finances of the Charity and are satisfied that systems and procedures are in place to mitigate our exposure to the significant risks.

The principle risks and uncertainties identified as facing the charity have been identified within the risk register along with plans and strategies for managing those risks:

- Loss of key personnel or shortage of staff. Key personnel are contracted to adequate notice periods to facilitate adequate transitions. Investment is being made in team building and staff wellbeing.
- Poor HR practices. The services of an external HR advisory service are retained.
- Grant approval over commitment. The grant-making process is to be reviewed.
- CHSF does not meet beneficiaries' needs adequately. A workforce plan is to be developed to grow the Family Support Service to meet need. This will be funded by investment in the fundraising team to increase income.

Factors that are likely to affect the financial performance or position going forward include cost of living pressures on donations and on running costs. The trustees monitor the position regularly via appropriate reports and forecasts, and proportionate measures are taken.

#### Reference and Administrative Details

Charity Registration Number: 1148359

Company Registration Number: 08152970

The charity is incorporated in England and Wales.

Registered Office: Suite D17, Joseph's Well  
Hanover Walk  
LEEDS  
LS3 1AB

Auditor: HPH  
54 Bootham  
YORK  
YO30 7XZ

## Children's Heart Surgery Fund

### Trustees' Report for the Year Ended 31 December 2023

#### Trustees and officers

The trustees and officers serving during the year and since the year end were as follows:

Trustees:

- J Oliver (resigned 19 October 2023)
- S J Robinson
- C A M Van Doorn
- C W Clewes
- W M Haigh
- P A Goodwin
- C L Daniels
- M J Fidler
- M Bissell
- A Conchie
- K J Brady

Senior Management / Leadership Team:

- H Watson, Chief executive officer (resigned 6 December 2023)
- K Hainsworth, Interim Chief Executive Officer (appointed 22 January 2024)

#### Statement of trustees' responsibilities

The trustees (who are also the directors of Children's Heart Surgery Fund for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". The report and accounts have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including its income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and 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, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

## Children's Heart Surgery Fund

### Trustees' Report for the Year Ended 31 December 2023

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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

#### **Disclosure of information to auditor**

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

#### **Reappointment of auditor**

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of HPH as auditors of the charity is to be proposed at the forthcoming Annual General Meeting.

#### **Small companies provision statement**

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

The annual report was approved by the trustees of the charity on 9 May 2024 and signed on its behalf by:

*Kieran Brady*

.....  
K J Brady  
Trustee

## **Children's Heart Surgery Fund**

### **Independent Auditor's Report to the Members of Children's Heart Surgery Fund**

#### **Opinion**

We have audited the financial statements of Children's Heart Surgery Fund (the 'charity') for the year ended 31 December 2023, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

#### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

## **Children's Heart Surgery Fund**

### **Independent Auditor's Report to the Members of Children's Heart Surgery Fund**

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of trustees**

As explained more fully in the Statement of trustees' responsibilities (set out on page 10 and 11), the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

## **Children's Heart Surgery Fund**

### **Independent Auditor's Report to the Members of Children's Heart Surgery Fund**

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks within which the company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 together with the Charities SORP (FRS102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.
- In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. The laws and regulations we considered in this context were Health and Safety legislation, Employment legislation, Charity Commission regulations and General Data Protection Regulation (GDPR).
- Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.
- We also considered the opportunities and incentives that may exist within the charitable company for fraud.
- We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management and income recognition.

In response to the risk of irregularities and non-compliance with laws and regulations and risk of fraud, we designed procedures which included but were not limited to: sample testing on the posting of journals, timing of recognition of income, review of trustee's minutes and any correspondence with regulators.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations. These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion, or the provision of intentional misrepresentations. We are not responsible for preventing fraud and cannot be expected to detect all fraud.

#### **Use of our report**

This report is made solely to the charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

## Children's Heart Surgery Fund

### Independent Auditor's Report to the Members of Children's Heart Surgery Fund

*Sarah Wearing*

.....  
Sarah Wearing, FCA, DChA (Senior Statutory Auditor)  
For and on behalf of HPH, Statutory Auditor

54 Bootham  
YORK  
YO30 7XZ

9 May 2024

## Children's Heart Surgery Fund

### Statement of Financial Activities for the Year Ended 31 December 2023 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
<b>Income and Endowments from:</b>					
Donations and legacies	3	877,819	302,459	1,180,278	678,199
Other trading activities	4	131,365	-	131,365	161,697
Investment income	5	12,535	-	12,535	10,656
Total income		<u>1,021,719</u>	<u>302,459</u>	<u>1,324,178</u>	<u>850,552</u>
<b>Expenditure on:</b>					
Raising funds	6	(361,691)	-	(361,691)	(344,060)
Charitable activities	7	(445,020)	(246,540)	(691,560)	(737,399)
Total expenditure		(806,711)	(246,540)	(1,053,251)	(1,081,459)
Gains/losses on investment assets		32,946	-	32,946	(67,829)
Net income/(expenditure)		<u>247,954</u>	<u>55,919</u>	<u>303,873</u>	<u>(298,736)</u>
Net movement in funds		247,954	55,919	303,873	(298,736)
<b>Reconciliation of funds</b>					
Total funds brought forward		<u>433,834</u>	<u>1,991</u>	<u>435,825</u>	<u>734,561</u>
Total funds carried forward	22	<u>681,788</u>	<u>57,910</u>	<u>739,698</u>	<u>435,825</u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2022 is shown in note 22.

**Children's Heart Surgery Fund**  
**(Registration number: 08152970)**  
**Balance Sheet as at 31 December 2023**

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Intangible assets	13	124	168
Tangible assets	14	12,195	20,666
Investments	15	<u>603,217</u>	<u>664,246</u>
		<u>615,536</u>	<u>685,080</u>
<b>Current assets</b>			
Stocks	16	14,540	16,849
Debtors	17	263,017	31,616
Cash at bank and in hand		<u>222,827</u>	<u>170,615</u>
		500,384	219,080
<b>Creditors: Amounts falling due within one year</b>	18	<u>(376,222)</u>	<u>(468,335)</u>
<b>Net current assets/(liabilities)</b>		<u>124,162</u>	<u>(249,255)</u>
<b>Net assets</b>		<u>739,698</u>	<u>435,825</u>
<b>Funds of the charity:</b>			
Restricted funds		57,910	1,991
Designated Funds		325,000	-
General Funds		<u>356,788</u>	<u>433,834</u>
Total unrestricted funds		<u>681,788</u>	<u>433,834</u>
<b>Total funds</b>	22	<u>739,698</u>	<u>435,825</u>

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The financial statements on pages 16 to 35 were approved by the trustees, and authorised for issue on 9 May 2024 and signed on their behalf by:

*Matthew Fidler*

.....  
M J Fidler  
Trustee

*Kieran Brady*

.....  
K J Brady  
Trustee

The notes on pages 19 to 35 form an integral part of these financial statements.

## Children's Heart Surgery Fund

### Statement of Cash Flows for the Year Ended 31 December 2023

	Note	2023 £	2022 £
<b>Cash flows from operating activities</b>			
Net cash income/(expenditure)		303,873	(298,736)
<b>Adjustments to cash flows from non-cash items</b>			
Depreciation		9,389	11,302
Investment income		(12,535)	(10,656)
Loss on disposal of tangible fixed assets		-	46
Revaluation of investments		(32,946)	67,829
		<u>267,781</u>	<u>(230,215)</u>
<b>Working capital adjustments</b>			
Decrease in stocks	16	2,309	1,801
Increase in debtors	17	(231,401)	(758)
Decrease in creditors	18	(92,112)	(2,025)
Net cash flows from operating activities		<u>(53,423)</u>	<u>(231,197)</u>
<b>Cash flows from investing activities</b>			
Acquisitions of tangible assets		(874)	(16,181)
Acquisitions of investments		(164,677)	(168,350)
Proceeds from sale of investments		257,680	96,153
Cash movements in investments		971	10,238
Dividend income		12,535	10,656
Net cash flows from investing activities		<u>105,635</u>	<u>(67,484)</u>
Net increase/(decrease) in cash and cash equivalents		52,212	(298,681)
Cash and cash equivalents at 1 January		<u>170,615</u>	<u>469,296</u>
Cash and cash equivalents at 31 December		<u><u>222,827</u></u>	<u><u>170,615</u></u>
<b>Reconciliation of net cash flow to movement in net funds</b>			
Increase/(decrease) in cash		52,212	(298,681)
Net funds at 1 January 2023		<u>170,615</u>	<u>469,296</u>
Net funds at 31 December 2023		<u><u>222,827</u></u>	<u><u>170,615</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 19 to 35 form an integral part of these financial statements.

## Children's Heart Surgery Fund

### Notes to the Financial Statements for the Year Ended 31 December 2023

#### 1 Charity status

The charity is a charitable company limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Suite D17, Joseph's Well  
Hanover Walk  
LEEDS  
LS3 1AB

These financial statements were authorised for issue by the trustees on 9 May 2024.

#### 2 Accounting policies

##### Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### Statement of compliance

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 (FRS 102)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

##### Basis of preparation

Children's Heart Surgery Fund 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 notes.

The charity's functional and presentational currency is GBP £.

##### Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

##### Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

## Children's Heart Surgery Fund

### Notes to the Financial Statements for the Year Ended 31 December 2023

#### ***Donations and legacies***

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably.

In accordance with the Charities SORP (FRS 102), the time resource volunteers provide to the charity is not recognised and the Trustees' report details their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the company which is the amount the company would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

#### ***Grants receivable***

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

#### ***Donated services and facilities***

Where services or facilities are provided to the charity as a donation that would normally be purchased from our suppliers, this benefit is included in the financial statements at its fair value unless its fair value cannot be reliably measured, then at the cost to the donor or the resale value of goods that are to be sold.

#### ***Investment income***

Investment income is included when receivable and the amount can be measured reliably by the charity.

## **Children's Heart Surgery Fund**

### **Notes to the Financial Statements for the Year Ended 31 December 2023**

#### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

All expenditure is inclusive of irrecoverable VAT.

#### **Raising funds**

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Leeds General Infirmary.

#### **Charitable activities**

Charitable activities and Governance costs are costs incurred on the charity's educational operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

#### **Grant expenditure**

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

#### **Grant provisions**

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

#### **Support costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

## Children's Heart Surgery Fund

### Notes to the Financial Statements for the Year Ended 31 December 2023

#### **Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### **Intangible assets**

Intangible assets are stated in the Balance Sheet at cost less accumulated amortisation and impairment. They are amortised on a straight line basis over their estimated useful lives.

#### **Tangible fixed assets**

Fixed assets are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

#### **Amortisation**

Amortisation is provided on intangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

<b>Asset class</b>	<b>Amortisation method and rate</b>
Trademarks	10% straight line

#### **Depreciation and amortisation**

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Equipment	25% straight line
Fixtures and fittings	25% straight line

#### **Fixed asset investments**

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

#### **Stock**

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

## Children's Heart Surgery Fund

### Notes to the Financial Statements for the Year Ended 31 December 2023

#### **Debtors**

Accrued income are amounts due from donors for grants or receipts where the charity is entitled to the income.

Prepayments are valued at the amount prepaid net of any trade discounts due.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### **Liabilities**

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

#### **Fund structure**

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

#### **Operating leases**

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

#### **Pensions and other post retirement obligations**

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

## Children's Heart Surgery Fund

### Notes to the Financial Statements for the Year Ended 31 December 2023

#### 3 Income from donations and legacies

	<b>Unrestricted funds General £</b>	<b>Restricted funds £</b>	<b>Total 2023 £</b>	<b>Total 2022 £</b>
Donations and legacies;				
Donations from individuals	707,881	185,858	893,739	497,976
Legacies	9,313	-	9,313	12,719
Gift aid reclaimed	63,719	-	63,719	28,399
Grants, including capital grants;				
Grants from other charities	18,225	116,601	134,826	91,571
Donated services and facilities	78,681	-	78,681	47,534
	<u>877,819</u>	<u>302,459</u>	<u>1,180,278</u>	<u>678,199</u>

#### 4 Income from other trading activities

	<b>Unrestricted funds General £</b>	<b>Restricted funds £</b>	<b>Total 2023 £</b>	<b>Total 2022 £</b>
Events income;				
Fundraising events	127,991	-	127,991	158,144
Other income	3,374	-	3,374	3,553
	<u>131,365</u>	<u>-</u>	<u>131,365</u>	<u>161,697</u>

#### 5 Investment income

	<b>Unrestricted funds General £</b>	<b>Restricted funds £</b>	<b>Total 2023 £</b>	<b>Total 2022 £</b>
Income from fixed asset investments	<u>12,535</u>	<u>-</u>	<u>12,535</u>	<u>10,656</u>

## Children's Heart Surgery Fund

### Notes to the Financial Statements for the Year Ended 31 December 2023

#### 6 Expenditure on raising funds

##### a) Costs of generating donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2023 £	Total 2022 £
Staff Costs	263,260	-	263,260	243,228
Media and communication costs	13,465	-	13,465	8,942
Fundraising costs	34,953	-	34,953	61,253
Other fundraising costs	45,108	-	45,108	24,939
	<u>356,786</u>	<u>-</u>	<u>356,786</u>	<u>338,362</u>

##### b) Investment management costs

	Unrestricted funds General £	Restricted funds £	Total 2023 £	Total 2022 £
Other investment management costs;				
Portfolio management costs	4,905	-	4,905	5,698
	<u>4,905</u>	<u>-</u>	<u>4,905</u>	<u>5,698</u>

#### 7 Expenditure on charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2023 £	Total 2022 £
Hospital support services	182,675	153,764	336,439	558,499
Family support services	251,610	92,776	344,386	174,901
Governance	10,735	-	10,735	3,999
	<u>445,020</u>	<u>246,540</u>	<u>691,560</u>	<u>737,399</u>

## Children's Heart Surgery Fund

### Notes to the Financial Statements for the Year Ended 31 December 2023

	Activity undertaken directly £	Grant funding of activity (note 9) £	Activity support costs (note 8) £	Total expenditure £
Hospital support services	7,532	188,058	140,849	336,439
Family support services	194,721	23,314	126,351	344,386
Governance costs	-	-	10,735	10,735
<b>Total for 2023</b>	<u>202,253</u>	<u>211,372</u>	<u>277,935</u>	<u>691,560</u>
<b>Total for 2022</b>	<u>153,049</u>	<u>234,252</u>	<u>350,098</u>	<u>737,399</u>

#### 8 Analysis of governance and support costs

##### Support costs

	Family Services £	Hospital Support £	Governance £	Total 2023 £	Total 2022 £
Staff costs	97,072	87,079	-	184,151	183,775
Other staff related costs	8,042	7,215	-	15,257	64,935
Establishment costs	11,455	10,277	-	21,732	28,016
IT costs	10,434	9,360	-	19,794	24,359
Office costs	5,407	4,850	-	10,257	12,550
Professional costs	4,492	4,030	-	8,522	14,534
Depreciation and amortisation	3,947	3,540	-	7,487	11,302
Loss on sale of fixed asset	-	-	-	-	46
Grant administration costs	-	-	-	-	6,582
Governance	-	-	10,735	10,735	3,999
	<u>140,849</u>	<u>126,351</u>	<u>10,735</u>	<u>277,935</u>	<u>350,098</u>

The above support costs are allocated based on the % of direct costs allocated to each charitable activity.

## Children's Heart Surgery Fund

### Notes to the Financial Statements for the Year Ended 31 December 2023

#### Governance costs

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Audit fees			
Audit of the financial statements	7,200	7,200	2,500
Other fees paid to auditors	2,091	2,091	-
Trustee training and meeting costs	921	921	1,090
Trustee professional indemnity insurance	523	523	409
	<u>10,735</u>	<u>10,735</u>	<u>3,999</u>

#### 9 Grant-making

##### Analysis of grants

	Grants to institutions		Grants to individuals	
	2023	2022	2023	2022
	£	£	£	£
<b>Analysis</b>				
Equipment grants	(53,096)	94,705	-	-
Course attendance/ training grants	17,239	8,817	-	-
Other grants	223,915	114,025	-	-
Family support	-	-	23,314	16,705
	<u>188,058</u>	<u>217,547</u>	<u>23,314</u>	<u>16,705</u>

Below are details of material grants made to institutions

Name of institution	2023 £	2022 £
Yorkshire and Humber congenital heart disease network	<u>188,058</u>	<u>217,547</u>

#### 10 Net incoming/outgoing resources

Net incoming/(outgoing) resources for the year include:

	2023 £	2022 £
Audit fees	7,200	2,500
Loss on disposal of fixed assets held for the charity's own use	-	46
Depreciation of fixed assets	<u>9,388</u>	<u>11,302</u>

## Children's Heart Surgery Fund

### Notes to the Financial Statements for the Year Ended 31 December 2023

#### 11 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

#### 12 Staff costs

The aggregate payroll costs were as follows:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>Staff costs during the year were:</b>		
Wages and salaries	456,513	410,510
Social security costs	41,377	36,347
Pension costs	40,484	51,293
	<u>538,374</u>	<u>498,150</u>
	<u>538,374</u>	<u>498,150</u>

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	<b>2023</b>	<b>2022</b>
	<b>No</b>	<b>No</b>
Administration	5	4
Fundraising & Marketing	7	8
Family services	2	1
	<u>14</u>	<u>13</u>
	<u>14</u>	<u>13</u>

The number of employees whose emoluments fell within the following bands was:

	<b>2023</b>
	<b>No</b>
£60,001 - £70,000	<u>1</u>
	<u>1</u>

The key management personnel of the charity comprise the Trustees and the Senior Leadership Team.

The total employee benefits of the key management personnel (including employer NIC and pension costs), with only senior leadership team members being paid, were £247,910 (2022 - £226,045).

## Children's Heart Surgery Fund

### Notes to the Financial Statements for the Year Ended 31 December 2023

#### 13 Intangible fixed assets

	<b>Trademarks £</b>	<b>Total £</b>
<b>Cost</b>		
At 1 January 2023	440	440
At 31 December 2023	440	440
<b>Amortisation</b>		
At 1 January 2023	272	272
Charge for the year	44	44
At 31 December 2023	316	316
<b>Net book value</b>		
At 31 December 2023	124	124
At 31 December 2022	168	168

#### 14 Tangible fixed assets

	<b>Furniture and equipment £</b>	<b>Total £</b>
<b>Cost</b>		
At 1 January 2023	67,923	67,923
Additions	874	874
Disposals	(300)	(300)
At 31 December 2023	68,497	68,497
<b>Depreciation</b>		
At 1 January 2023	47,257	47,257
Charge for the year	9,345	9,345
Eliminated on disposals	(300)	(300)
At 31 December 2023	56,302	56,302
<b>Net book value</b>		
At 31 December 2023	12,195	12,195
At 31 December 2022	20,666	20,666

## Children's Heart Surgery Fund

### Notes to the Financial Statements for the Year Ended 31 December 2023

#### 15 Fixed asset investments

##### Other investments

	Listed investments £	Unlisted investments £	Total £
<b>Cost or Valuation</b>			
At 1 January 2023	651,486	12,760	664,246
Additions	164,676	268,473	433,149
Disposals	(257,680)	(269,444)	(527,124)
Revaluation	32,946	-	32,946
At 31 December 2023	<u>591,428</u>	<u>11,789</u>	<u>603,217</u>
<b>Net book value</b>			
At 31 December 2023	<u>591,428</u>	<u>11,789</u>	<u>603,217</u>
At 31 December 2022	<u>651,486</u>	<u>12,760</u>	<u>664,246</u>

Unlisted investments are made up of the cash movements held in the portfolio.

#### 16 Stock

	2023 £	2022 £
Stocks	<u>14,540</u>	<u>16,849</u>

#### 17 Debtors

	2023 £	2022 £
Prepayments	13,977	17,465
Accrued income	<u>249,040</u>	<u>14,151</u>
	<u>263,017</u>	<u>31,616</u>

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

	2023 £	2022 £
Grants payable	335,467	449,499
Other creditors	2,431	1,166
Accruals	<u>38,324</u>	<u>17,670</u>
	<u>376,222</u>	<u>468,335</u>

## Children's Heart Surgery Fund

### Notes to the Financial Statements for the Year Ended 31 December 2023

#### 19 Pension and other schemes

##### Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £40,484 (2022 - £51,293).

#### 20 Commitments

##### Other financial commitments

Minimum lease payments under non-cancellable operating leases fall due within one year £nil (2022 - £17,855) and between one and five years £nil (2022 - £186)

The total amount of other financial commitments not provided in the financial statements was £Nil (2022 - £18,041).

#### 21 Related party transactions

In the year, services were provided free of charge by a company under the control of a trustee. These were treated as gift in kind transactions with a total value for the year of £3,600 (2022 - £3,600).

During the year the charity made the following related party transactions:

##### **Pennine Signs**

(Trustee - Colin Clewes)

The charity purchased banners and stickers from the company at cost totalling £294.. At the balance sheet date the amount due to/from Pennine Signs was £Nil (2022 - £Nil).

## Children's Heart Surgery Fund

### Notes to the Financial Statements for the Year Ended 31 December 2023

#### 22 Funds

	Balance at 01/01/2023 £	Incoming resources £	Resources expended £	Transfers £	Gains/ (losses) on investments £	Balance at 31/12/2023 £
<b>Restricted funds</b>						
INR kits	-	10,405	(10,405)	-	-	-
Kardia mobile devices	92	4,124	(4,216)	-	-	-
Family support worker	-	4,860	(4,860)	-	-	-
Welcome packs	-	1,645	(1,645)	-	-	-
Katie bears	-	540	(540)	-	-	-
MRI exercise bike	-	5	(5)	-	-	-
Supporting children	1,568	49	(1,617)	-	-	-
ECMO landing monitor	-	3,000	(3,000)	-	-	-
Parent accomodation	-	6,274	-	-	-	6,274
Wharfedale ECHO	-	64,526	(64,526)	-	-	-
Congenital heart unit	331	611	(626)	-	-	316
Christmas party	-	2,000	(2,000)	-	-	-
Katie bear medals	-	173	(173)	-	-	-
Katie bear certificates	-	150	(150)	-	-	-
Colostrum packs	-	300	(300)	-	-	-
MRI infusion pumps	-	2,000	(2,000)	-	-	-
Blood pressure monitors	-	1,254	(1,153)	-	-	101
Imaging project	-	(40,500)	40,500	-	-	-
Easter event	-	358	(358)	-	-	-
Medical gaming cart	-	1,806	(1,806)	-	-	-
Cardiac cafes	-	600	(600)	-	-	-
SLT post	-	8,000	-	-	-	8,000
Dentistry books	-	1,000	(1,000)	-	-	-
MRI monitoring unit	-	1,000	(1,000)	-	-	-
Echo reporting & analysis	-	120,000	(120,000)	-	-	-
Rose's little library	-	55	-	-	-	55
Family services (DCMS)	-	61,130	(54,525)	-	-	6,605
SEND project	-	13,806	(10,535)	-	-	3,271
BME support worker	-	33,288	-	-	-	33,288
<b>Total restricted funds</b>	<b>1,991</b>	<b>302,459</b>	<b>(246,540)</b>	<b>-</b>	<b>-</b>	<b>57,910</b>

## Children's Heart Surgery Fund

### Notes to the Financial Statements for the Year Ended 31 December 2023

	Balance at 01/01/2023 £	Incoming resources £	Resources expended £	Transfers £	Gains/ (losses) on investments £	Balance at 31/12/2023 £
<b>Unrestricted funds</b>						
<i>Designated</i>						
Organisational Development	-	-	-	125,000	-	125,000
Family accomodation - new children's hospital	-	-	-	200,000	-	200,000
	-	-	-	325,000	-	325,000
Undesignated unrestricted funds	<u>433,834</u>	<u>1,021,719</u>	<u>(806,711)</u>	<u>(325,000)</u>	<u>32,946</u>	<u>356,788</u>
<b>Total unrestricted funds</b>	<u>433,834</u>	<u>1,021,719</u>	<u>(806,711)</u>	<u>-</u>	<u>32,946</u>	<u>681,788</u>
<b>Total funds</b>	<u>435,825</u>	<u>1,324,178</u>	<u>(1,053,251)</u>	<u>-</u>	<u>32,946</u>	<u>739,698</u>

The trustees have designated funds in the year to two projects organisation development and family accomodation for the new children's hospital.

## Children's Heart Surgery Fund

### Notes to the Financial Statements for the Year Ended 31 December 2023

	Balance at 01/01/2022 £	Incoming resources £	Resources expended £	Transfers £	Gains/(losses) on investments £	Balance at 31/12/2022 £
<b>Restricted</b>						
INR kits	923	4,716	(5,639)	-	-	-
Kardia mobile devices	-	5,872	(5,780)	-	-	92
Family support worker	8,000	2,602	(10,602)	-	-	-
Welcome packs	-	1,839	(1,839)	-	-	-
Katie bears	-	3,089	(3,089)	-	-	-
MRI exercise bike	-	13,206	(13,206)	-	-	-
Supporting children	-	10,250	(8,682)	-	-	1,568
ECMO landing monitor	-	23,000	(23,000)	-	-	-
Parent accomodation	-	2,180	(2,180)	-	-	-
Playroom equipment	-	1,366	(1,366)	-	-	-
Developmental toys	-	3,664	(3,664)	-	-	-
IPads	-	1,837	(1,837)	-	-	-
Eckersley House	-	10,000	(10,000)	-	-	-
Halloween event	-	1,200	(1,200)	-	-	-
Equipment for hospital accomodation	-	84	(84)	-	-	-
Wharfedale ECHO	-	27,500	(27,500)	-	-	-
Congenital heart unit	-	331	-	-	-	331
Christmas party	-	1,700	(1,700)	-	-	-
Katie bear medals	-	992	(992)	-	-	-
Katie bear certificates	-	865	(865)	-	-	-
<b>Total restricted funds</b>	<b>8,923</b>	<b>116,293</b>	<b>(123,225)</b>	<b>-</b>	<b>-</b>	<b>1,991</b>
<b>Unrestricted funds</b>						
Unrestricted undesignated funds	<u>725,638</u>	<u>734,259</u>	<u>(958,234)</u>	<u>-</u>	<u>(67,829)</u>	<u>433,834</u>
<b>Total funds</b>	<u><u>734,561</u></u>	<u><u>850,552</u></u>	<u><u>(1,081,459)</u></u>	<u><u>-</u></u>	<u><u>(67,829)</u></u>	<u><u>435,825</u></u>

## Children's Heart Surgery Fund

### Notes to the Financial Statements for the Year Ended 31 December 2023

#### 23 Analysis of net assets between funds

	Unrestricted funds		Restricted funds £	Total funds at 31 December 2023 £
	General £	Designated £		
Intangible fixed assets	124	-	-	124
Tangible fixed assets	12,195	-	-	12,195
Fixed asset investments	278,217	325,000	-	603,217
Current assets	322,474	-	177,910	500,384
Current liabilities	(256,222)	-	(120,000)	(376,222)
<b>Total net assets</b>	<b>356,788</b>	<b>325,000</b>	<b>57,910</b>	<b>739,698</b>

	Unrestricted funds		Restricted funds £	Total funds at 31 December 2022 £
	General £	Designated £		
Intangible fixed assets	168	-	-	168
Tangible fixed assets	20,666	-	-	20,666
Fixed asset investments	664,246	-	-	664,246
Current assets	217,089	-	1,991	219,080
Current liabilities	(468,335)	-	-	(468,335)
<b>Total net assets</b>	<b>433,834</b>	<b>-</b>	<b>1,991</b>	<b>435,825</b>

#### 24 Analysis of net funds

	At 1 January 2023 £	Financing cash flows £	At 31 December 2023 £
	Cash at bank and in hand	170,615	52,212
Net debt	170,615	52,212	222,827

	At 1 January 2022 £	Financing cash flows £	At 31 December 2022 £
	Cash at bank and in hand	469,296	(298,681)
Net debt	469,296	(298,681)	170,615

**CHILDREN'S HEART SURGERY FUND**

England & Wales - Charity number 1148359

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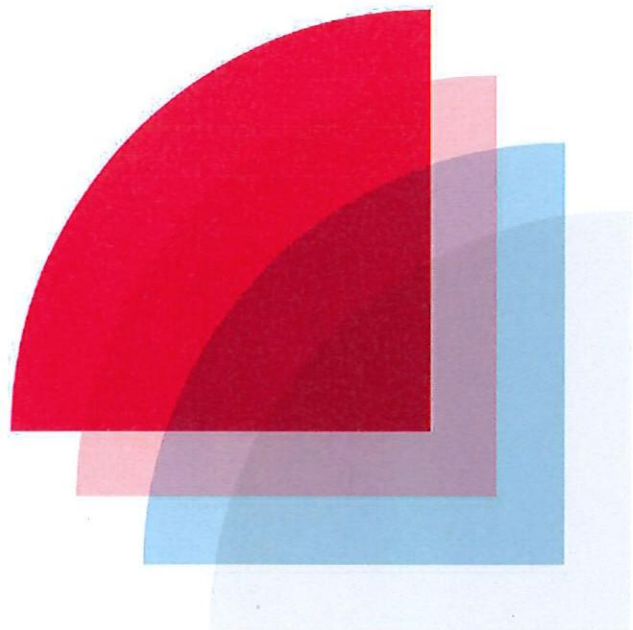
# Accounts

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**Haines Watts**

**Children's Heart Surgery Fund  
Financial Statements**

For the Year Ended 31 December 2022  
Company Registration No: 08152970



Children's Heart Surgery Fund

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for the Year Ended 31 December 2022

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## Children's Heart Surgery Fund

### Report of the Trustees for the Year Ended 31 December 2022

The Trustees (who are also directors of the Charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of the Children's Heart Surgery Fund (the company) for the year ended 31 December 2022. The Trustees confirm that the company's annual report and financial statements comply with the current statutory requirements, the requirements of the charity's governing document, and the provisions of the Statement of Recommended Practice (SORP).

Since the Charity qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

#### **OBJECTIVES AND ACTIVITIES**

The Charity's main objective is to enhance the quality of care and support available to babies, young children, and adult congenital cardiac patients treated at the Leeds Congenital Heart Unit, based at Leeds General Infirmary. This objective is presently fulfilled for the benefit of the public in several ways:

- o Provision of new and primary equipment not available from NHS resources to improve the care available to the Leeds Heart Unit beneficiaries. The Charity also awards grants to Leeds Congenital Cardiac staff to attend specialist courses unavailable to them to further their expertise to improve patient care.
- o Supply of equipment and other items makes the children's wards and play areas more user friendly and more conducive to a child's recovery while under the care of the Congenital Heart ward.
- o Funding a small number of specialist research projects and posts, when the need arises, which enhances knowledge and expertise in the field to benefit future beneficiaries.
- o Funding for the costs of medical, nursing and other health professionals with a view to the positions eventually being funded by LTHT.
- o Funding for family accommodation
- o Providing Financial Assistance direct to families and Family Support Worker Service staff, who give ongoing emotional and practical help.

#### **GRANT MAKING POLICIES**

The organisation's objectives are achieved through grant-making activity and service delivery of a Family Support Worker Service to families attending the LCHU for treatment.

##### **a) Beneficiary Status**

The Charity will consider relevant applications for grants from:

1. LTHT clinicians and employees working for the Leeds Congenital Heart Service.
2. Congenital heart patients & their families
3. Voluntary organisations
4. Charitable organisations

##### **b) Geographical area**

The Charity provides regional support, in line with the support given from the Leeds Congenital Heart Unit, which covers Yorkshire & the Humber, North Lincolnshire and North Derbyshire.

##### **c) Size of grants**

The amount of each grant varies, depending on the project. Trustees set budgets for grant expenditure based on anticipated income and the need to maintain an appropriate level of reserves.

## Children's Heart Surgery Fund

### Report of the Trustees

for the Year Ended 31 December 2022

#### **d) Assessment process**

1. Relevant information is gathered via submitted application forms
2. Applications are considered by the Chief Executive officer, The Finance and Risk Sub-Committee or the Trustee Board, as determined by agreed authority levels. Decisions are made based on the extent to which the proposal furthers the aims and objectives of the charity, and the scope of available resources.

#### **e) Post Award Review**

The Charity reserves the right to request, from the applicant, confirmation that funds have been spent appropriately. It may also, where appropriate, ask applicants for one or more report(s) to update CHSF trustees on the progress of the project and assess the effectiveness of any funding. The report should be submitted to the Trustees within six months.

#### **VOLUNTEERS**

Volunteers play a key and valued role in the charity's fundraising operations. Volunteers are supported in their activities by the Charity's professional fundraising team in accordance with organisational policies.

#### **ACHIEVEMENT AND PERFORMANCE**

##### **Review of activities**

Overall performance was excellent, considering that a new Fundraising Team, recruited mid-year, needed time to become established. Looking ahead, the Charity is set for growth, and new roles in Fundraising and Marketing in 2022 should see longer-term income growth, CHSF also managed to publish its fourth social impact report, and research shows we are still among the first charities in our niche sector to produce such a detailed report.

Year on year, we continue to reach a sizeable growing audience on social media and in the regional press. Research tells us we have a more extensive community following than some of the larger competitor health care charities on platforms such as Facebook and Instagram.

We continue to deliver on agreed projects for the hospital and continue to support Eckersley House as they provide accommodation for some of our families when our rooms are full. Looking ahead, we intend to continue collaboration with additional charities. We believe the public likes to see Charities working together to reach their overall aims.

##### **Medical equipment and training support**

In 2022, as well as supporting LCHU, we extended our support for equipment out into the Regional Hospitals to allow specialist cardiac clinics to be run closer to patients' homes, this included an allocation of £87,526 for a cardiac ultrasound machine for a new cardiac outpatients service at Wharfedale Hospital in West Yorkshire.

The Medical equipment funded by CHSF is not available from NHS resources and improves the care available to congenital heart patients at LCHU and across the region.

In 2022 we continued to supply iNR testing kits. These are pieces of equipment that enable patients to check their blood levels in the comfort of their homes. These are essential machines for high-risk patients to prevent a blood clot that could lead to a potential stroke.

Kardia mobile devices and blood pressure monitors have also been a focus of support for adult patients living with Congenital Heart Disease.

Training support for the Leeds Congenital Heart Unit and Cardiac specialist staff across the region increased with us funding a full Training Away Day for 100 staff as well as support for individuals' travel, courses and accommodation. Funding to attend specialist courses, not otherwise available through the NHS, enhances expertise and therefore quality of care.

## Children's Heart Surgery Fund

### Report of the Trustees for the Year Ended 31 December 2022

#### **Non- medical equipment**

A grant was given to enhance the Echo-cardiogram areas with child-friendly mural/wall art and sensory toys and lights which helps to minimise stress for children and thereby optimises the chance for diagnostic accuracy of scans. Similarly, the Neonatal Department received a grant for children's sensory equipment. We continue to supply iPads, toys, craft packs and play resources to the children's cardiac ward and a fish tank. The overall aim is to aid patient recovery.

We also funded a patient education video explaining the congenital heart condition 'Transposition of the Great Arteries'.

#### **Family support**

The Charity supports families who are struggling with the cost of hospital stays, with financial support grants and provides extraordinary contributions for exceptional circumstances. We have seen a further increase in the need for emotional and practical family support this year, and in response have increased our staffing to 1.6 FTE. We have also introduced canteen and shopping vouchers to give parents access to food and essentials. We have made extensive connections with other organisations in order to signpost families to receive a package of multi-agency holistic support. We now have relationships with Foodbanks, the debt recovery charity Step Change, statutory housing providers, early years provision and Sure Start centres in various local authority areas across the regions. We work closely with the Cardiac Nurse Specialists to tailor family support to each family's individual circumstances, allowing the medical professionals to concentrate on medical care.

Patients and their families benefit enormously from this kind of assistance. Financial difficulties can add to the trauma of the diagnosis and treatment when income is reduced. Families face additional expenses such as travel and an increase in living costs when residing in the hospital for long periods, which places an increased burden on the family budget, especially given the increase in the cost of living.

In 2022 CHSF have continued to contribute to the upkeep of our Brotherton Wing parent accommodation as well as providing financial support to Eckeraley House run by the Sick Children's Trust, so that they can continue to provide accommodation to parents of cardiac patients with siblings. These rooms are much needed for parents when their children are recovering in the Paediatric Intensive Care Unit.

#### **Support for Specialist Medical Posts**

In 2022 Trustees continued to focus support on cardiac clinics run by Hospitals across the regions, which form part of the Yorkshire and Humber Congenital Heart Network. Specialist Nursing Posts for Rotherham and Hull were funded for 15- 24 months. This allows the impact to be measured and the business case to be made for the NHS to continue these posts which enable specialist patient follow up to be delivered closer to home.

A grant was also given to fund a Cardiac Specialist Speech and Language Therapist at LCHU to address the high number of feeding issues with child cardiac patients, which can prevent them from being able to eat, leading to the necessity of long term tube feeding. This grant will improve feeding and communication outcomes and assist the development of cardiac children, whilst providing evidence for NHS continuation funding of this post.

#### **Practical support**

In 2022 we continued to provide items to aid administration, such as giving folders for patients and contact cards for staff to ensure patients and families had their up-to-date contact information. We also provided Wi-Fi for the parent accommodation area to access the internet while staying overnight.

## Children's Heart Surgery Fund

### Report of the Trustees for the Year Ended 31 December 2022

#### **Fundraising**

Children's Heart Surgery Fund receives no statutory funding and relies 100% on voluntary donations. We actively support individuals and groups fundraising within the community and develop corporate partnerships across Yorkshire and Humber to raise the most funds.

In 2022, we did not use a third-party professional or commercial participator. We continued our focus on digital fundraising and were able to resume face to face events with the Superhero Walk, Halloween Event and the Children's Christmas Party. Regular stewarding events in the hospital could not resume due to continuing Covid related restrictions. Various staff left the fundraising team during the early part of the year, and the team was restructured with new team members and a Head of Fundraising leading Community, Corporate and Events Fundraising. Therefore, income in the latter part of the year was affected by new staff needing time to establish.

We continued to see an increase in supporters using the JustGiving platform, shifting from Facebook giving, which is positive as we can claim Gift Aid through Just Giving but not through the Social Media platforms.

In 2022 we continued to refine the CRM and this will be led by Journey Mapping work which will take place over the next 12 months to automate processes where possible and assist us in capturing impact reporting as well as fundraising.

Fundraising activity carried out on behalf of CHSF is closely monitored by the Head of Fundraising and CEO. CHSF also have a longstanding Marketing and Fundraising committee overseen by two Trustees, who oversee governance, provide guidance, and ensure compliance with the Fundraising Code of conduct, and excellent supporter stewardship.

#### **GDPR**

CHSF continues to comply with the new General Data Protection Regulation (May 2018). We provided tailored staff guidance and training. We are committed to protecting personal information and being transparent about what we do with it.

#### **Investment policy and performance**

The investment manager regularly meets the Trustees to assess portfolio performance, risk management, future market expectations and the long-term investment strategy. The investment portfolio was valued at £622,496, with income received in the period £9,199.

The Trustees are satisfied with the level of return achieved during the Year. The actual income yield is 1.8%, with income and capital yield received being -7.1%.

During the year, a flexible options bond was donated to the Charity. The bond was valued at £42,291, with income received in the period £1,457.

## Children's Heart Surgery Fund

### Report of the Trustees for the Year Ended 31 December 2022

#### **FINANCIAL REVIEW**

##### **Going Concern**

After making appropriate enquiries, the trustees reasonably expect the charity to have adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

With COVID-19 related restrictions continuing into 2022, CHSF has continued to take an adaptable and flexible approach to its fundraising activities, by continuing to offer virtual events to its supporters alongside a return to more traditional in-person events.

CHSF have a realistic growth strategy in place which has been adapted to take into account the post-Covid economic conditions and the cost of living crisis, which began to impact in the last quarter of 2022. At the end of 2022 the Trust & Grants Manager left and we replaced this role with a Head of Philanthropy to expand our Trust & Grants, Legacy and Major Donor Fundraising.

##### **Results for the year**

The attached financial statements show the results of the Charity for the year ended 31 December 2022.

The £298,736 net deficit for the year after investment gains and losses exceeded the budgeted deficit, with reserves held in excess of the reserves policy utilised to maintain support to beneficiaries during a year in which a new Fundraising Team was recruited mid-year and needed time to become established.

Income was 12% below the previous year.

Expenditure on salaries and general running costs (Fundraising Costs per note 7; Investment Management Costs per note 8; Support costs per note 11) has increased by 34% due to investment in new roles in Fundraising and Marketing which should see longer-term income growth.

The Charity has spent £409,153 on supporting its beneficiaries.

##### **Reserves policy**

The Charity Commission uses the term 'reserves' to describe that part of a charity's freely available income funds.

'Reserves' are therefore the resources that Children's Heart Surgery Fund has or can make available to spend for any or all the charity's purposes once it has met its commitments and covered its other planned expenditure.

Responsibility for establishing an appropriate reserves policy lies with Children's Heart Surgery Fund Trustees, who understand the business of the Charity. Our Trustees have taken care to consider the needs of the business in setting a level of reserves that they believe to be appropriate.

Having considered all factors, the Trustees amended the policy in 2019. The Trustees agreed that Children's Heart Surgery Fund should aim to maintain reserves sufficient to cover six months' costs, excluding costs of support to beneficiaries. This will provide enough reserves to respond to any significant change in the external environment.

After a temporary change to increase cover to twelve months' costs, excluding costs of beneficiary support in September 2020, the Trustees have now reviewed this policy and decided to revert back to our 6 months policy.

The Charity will endeavour to ensure that the reserves remain within the agreed range through;

- o Creation of detailed budgets and plans to estimate likely cash inflows and outflows over the budget year
- o Careful monitoring of the reserves levels through the regular Finance and Risk Committee meetings and Trustee meetings.

The reserves at the end of 2022 were in line with the policy of covering six months running costs.

## Children's Heart Surgery Fund

### Report of the Trustees for the Year Ended 31 December 2022

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Constitution**

The charity is registered as a charitable company limited by guarantee and constituted under the articles of association.

The registered charity number is 1148359.

##### **Method of appointment or election of trustees**

The Board of Trustees appoints trustees. Trustees hold office for five years, after which period they may put themselves forward for reappointment. Appointment review dates are structured to ensure continuity of experience and to allow for succession planning.

##### **Policies adopted for the induction and training of trustees**

New Trustees are recruited to ensure that collectively the Board maintains a broad range of varied backgrounds, skills, and experience. We endeavour to provide our beneficiaries' needs reflected by the Board's diversity in terms of the skills and interests represented.

Potential Trustees are briefed to ensure they understand the Charity's objectives, activities, strategy and ethos.

##### **Organisational structure and decision making**

The Trustees are required to meet twice as a minimum in every calendar year but meet at least five times a year to assess grant applications, review fundraising activity and evaluate ongoing projects and discuss any other matters that may arise.

Day-to-day management of the Charity is delegated to the Chief Executive.

An annual budget is prepared and approved by the Trustees at the beginning of each year, incorporating the projected costs of agreed commitments under the equipment, research, training, management and family support headings.

An annual fundraising strategy is created by the fundraising and marketing manager, with input and oversight from the CEO.

##### **Risk management**

The Trustees have assessed the significant risks to which the Charity is exposed, those related to the operations and finances of the Charity and are satisfied that systems and procedures are in place to mitigate our exposure to the significant risks.

#### **PLANS FOR THE FUTURE**

##### **Future developments**

Overall, CHSF's 3-5 year strategy continues to support the Leeds Congenital Heart Unit as a World Class centre of excellence by carrying on with the funding of equipment, education and some staff posts, along with many other areas of support.

We will retain focus on the four key areas: **The Heart, the Mind, the Family, and the Future.**

The Trustees have agreed to support the family assistance work further. With some focus on adult patients. We appointed an additional part-time worker to assist the current Family Support Worker in 2022 and, when funding allows, we plan to continue to expand this service to meet growing need and service an ethnically and culturally diverse community across the region.

##### **PUBLIC BENEFIT**

The Trustees consider the objectives and achievements of the Charity, as set out above, to satisfy the requirements of the public benefit guidance published by the Charity Commission.

Children's Heart Surgery Fund

Report of the Trustees  
for the Year Ended 31 December 2022

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**  
08152970 (England and Wales)

**Registered Charity number**  
1148359

**Registered office**  
Suite D17  
Joseph's Well  
Hanover Walk  
Leeds  
LS3 1AB

**Trustees**  
P A Goodwin  
W M Halgh  
S L Matley (resigned 23/2/2022)  
S Maule (resigned 23/2/2022)  
J Oliver  
J Quirk (resigned 31/5/2022)  
S J Robinson  
C A M Van Doorn  
J J M Whitaker (resigned 31/5/2022)  
K Brady  
C L Daniels  
M J Fidler  
C W Clewes (appointed 3/3/2022)  
A Conchle (appointed 22/9/2022)  
M Blissell (appointed 22/9/2022)

**Auditors**  
Haines Watts  
Chartered Accountants &  
Statutory Auditors  
3rd Floor  
56 Wellington Street  
Leeds  
West Yorkshire  
LS1 2EE

**Chief executive officer**

Heidi Watson (appointed 11/07/22)

**TRUSTEES' RESPONSIBILITY STATEMENT**

The Trustees (who are also directors of The Children's Heart Surgery Fund for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue operating.

Children's Heart Surgery Fund

Report of the Trustees  
for the Year Ended 31 December 2022

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**DISCLOSURE OF INFORMATION TO AUDITORS**

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

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

**AUDITORS**

The auditors, Haines Watts Leeds LLP, have indicated their willingness to continue in office. The Trustees will propose a motion re-appointing the auditors at a meeting of the Trustees.

In preparing this report, the Trustees have taken advantage of the small companies exemption provided by section 415A of the Companies Act 2006

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 order of the board of trustees on 4 May 2023 and signed on its behalf by:

*Kieran J Brady*

K Brady - Trustee

Report of the Independent Auditors to the Members of  
Children's Heart Surgery Fund

**Opinion**

We have audited the financial statements of Children's Heart Surgery Fund (the 'charitable company') for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

**Other Information**

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

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Report of the Independent Auditors to the Members of  
Children's Heart Surgery Fund

**Responsibilities of trustees**

As explained more fully in the Trustees' Responsibilities Statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Report of the Independent Auditors to the Members of  
Children's Heart Surgery Fund

**Our responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees and other management; and from our commercial knowledge and experience of the charity sector
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment and health and safety legislation;
- we assessed the extent of compliance with laws and regulations identified above through making enquiries of management; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit

We assessed the susceptibility of the charity's financial statements to misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- understanding the design of the charity's remuneration policies.

To address the risk of fraud through management bias and override of controls, including the impact on revenue recognition, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 3 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions; and
- the use of data analytics to identify transactions requiring further investigation.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosure to underlying supporting documentation;
- reading the minutes of meetings of the trustees; and
- enquiring of management as to actual and potential litigation and claims

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

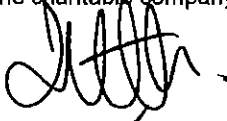
Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

Report of the Independent Auditors to the Members of  
Children's Heart Surgery Fund

**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



James Sutton BA (Hons) FCA (Senior Statutory Auditor)  
for and on behalf of Haines Watts  
Chartered Accountants &  
Statutory Auditors  
3rd Floor  
56 Wellington Street  
Leeds  
West Yorkshire  
LS1 2EE

Date: .....29 June 2023.....

Children's Heart Surgery Fund

Statement of Financial Activities  
for the Year Ended 31 December 2022

	Notes	Unrestricted fund £	Restricted funds £	2022 Total funds £	2021 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	4	561,906	116,293	678,199	876,136
Charitable activities	5	161,697	-	161,697	77,355
Investment income	6	10,656	-	10,656	8,988
<b>Total</b>		<b>734,259</b>	<b>116,293</b>	<b>850,552</b>	<b>962,457</b>
<b>EXPENDITURE ON</b>					
<b>Raising funds</b>					
Fundraising costs	7	338,382	-	338,362	283,028
Investment management costs	8	5,698	-	5,698	5,828
		<b>344,060</b>	<b>-</b>	<b>344,060</b>	<b>268,856</b>
<b>Charitable activities</b>					
Governance cost	9	3,999	-	3,999	3,912
Charitable activities		480,224	78,275	558,499	696,658
Family support services		129,951	44,950	174,901	234,393
<b>Total</b>		<b>958,234</b>	<b>123,225</b>	<b>1,081,459</b>	<b>1,203,819</b>
Net gains/(losses) on Investments		(67,829)	-	(67,829)	48,153
<b>NET INCOME/(EXPENDITURE)</b>		<b>(291,804)</b>	<b>(6,932)</b>	<b>(298,736)</b>	<b>(193,209)</b>
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		725,638	8,923	734,561	927,770
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>433,834</b>	<b>1,991</b>	<b>435,825</b>	<b>734,561</b>

The notes form part of these financial statements

Children's Heart Surgery Fund

Balance Sheet  
31 December 2022

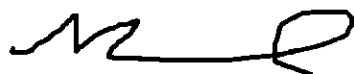
	Notes	Unrestricted fund £	Restricted funds £	2022 Total funds £	2021 Total funds £
<b>FIXED ASSETS</b>					
Intangible assets	16	168	-	168	212
Tangible assets	17	20,666	-	20,666	15,788
Investments	18	664,246	-	664,246	670,117
		<u>685,080</u>	<u>-</u>	<u>685,080</u>	<u>686,117</u>
<b>CURRENT ASSETS</b>					
Stocks	19	16,849	-	16,849	18,650
Debtors	20	29,626	1,990	31,616	30,858
Cash at bank and In hand		170,615	-	170,615	469,296
		<u>217,090</u>	<u>1,990</u>	<u>219,080</u>	<u>618,804</u>
<b>CREDITORS</b>					
Amounts falling due within one year	21	(468,335)	-	(468,335)	(470,360)
		<u>(251,245)</u>	<u>1,990</u>	<u>(249,255)</u>	<u>48,444</u>
<b>NET CURRENT ASSETS</b>					
		<u>433,835</u>	<u>1,990</u>	<u>435,825</u>	<u>734,561</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
		<u>433,835</u>	<u>1,990</u>	<u>435,825</u>	<u>734,561</u>
<b>NET ASSETS</b>					
		<u>433,835</u>	<u>1,990</u>	<u>435,825</u>	<u>734,561</u>
<b>FUNDS</b>					
	23			433,835	725,638
Unrestricted funds				1,990	8,923
Restricted funds					
<b>TOTAL FUNDS</b>					
				<u>435,825</u>	<u>734,561</u>

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

The financial statements were approved by the Board of Trustees and authorised for issue on 4 May 2023 and were signed on its behalf by:

*Kieran J Brady*

K Brady - Trustee



M J Fidler - Trustee

Children's Heart Surgery Fund

Cash Flow Statement  
for the Year Ended 31 December 2022

	Notes	2022 £	2021 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	(220,541)	25,110
Net cash (used in)/provided by operating activities		<u>(220,541)</u>	<u>25,110</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(16,181)	(794)
Purchase of fixed asset investments		(168,350)	(148,523)
Sale of tangible fixed assets		-	922
Sale of fixed asset investments		96,153	135,088
Other cash movements on investments		10,238	11,515
Interest received		-	75
Net cash used in investing activities		<u>(78,140)</u>	<u>(1,717)</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<u>(298,681)</u>	<u>23,393</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>469,296</u>	<u>445,903</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u><u>170,615</u></u>	<u><u>469,296</u></u>

The notes form part of these financial statements

Children's Heart Surgery Fund

Notes to the Cash Flow Statement  
for the Year Ended 31 December 2022

**1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2022 £	2021 £
<b>Net expenditure for the reporting period (as per the Statement of Financial Activities)</b>	(298,736)	(193,209)
<b>Adjustments for:</b>		
Depreciation charges	11,302	12,667
Losses/(gain) on Investments	67,829	(48,153)
Loss on disposal of fixed assets	46	487
Interest received	-	(75)
Decrease/(increase) in stocks	1,801	(6,289)
Increase in debtors	(758)	(14,422)
(Decrease)/increase in creditors	(2,025)	274,104
<b>Net cash (used in)/provided by operations</b>	<u>(220,541)</u>	<u>25,110</u>

**2. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1/1/22 £	Cash flow £	At 31/12/22 £
<b>Net cash</b>			
Cash at bank and in hand	469,296	(298,681)	170,615
	<u>469,296</u>	<u>(298,681)</u>	<u>170,615</u>
<b>Total</b>	<u>469,296</u>	<u>(298,681)</u>	<u>170,615</u>

## Children's Heart Surgery Fund

### Notes to the Financial Statements for the Year Ended 31 December 2022

#### **1. GENERAL INFORMATION**

Children's Heart Surgery Fund is a charity incorporated in England and Wales at Suite D17, Joseph's Well, Hanover Walk, Leeds, LS3 1AB under company registered number 08152970 and charity registered number 1148359.

#### **2. ACCOUNTING POLICIES**

##### **Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

Children's Heart Surgery Fund 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.

##### **Company status**

The company is a company limited by guarantee. The members of the company are the Trustees named on page 8. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

##### **Going concern**

At the time of approving the financial statements the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

##### **Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, 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 company is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that 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 company has been notified of the executor's intention to make a distribution. Where legacies have been notified to the company, or the company is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated services or facilities are recognised when the company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the company of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the volunteers is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the company which is the amount the company would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

**2. ACCOUNTING POLICIES - continued**

**Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Leeds General Infirmary. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the company's educational operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled.

All expenditure is inclusive of irrecoverable VAT.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

**Intangible fixed assets**

Intangible assets are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment. Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset, less their estimated residual value, over their expected useful lives on the following bases:

Katie Bear trademark - 10% straight line  
Trademarks - 10% straight line

**Tangible fixed assets**

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the statement of financial activities incorporating income and expenditure account.

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

Motor vehicles - 20% straight line  
Fixtures and fittings - 25% straight line  
Equipment - 25% straight line

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

**2. ACCOUNTING POLICIES - continued**

**Fund accounting**

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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

**Pension costs and other post-retirement benefits**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

**Debtors**

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

**Cash at Bank and in hand**

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**Liabilities and provisions**

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

**Investments**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the statement of financial activities incorporating income and expenditure account.

**Functional and presentation currency**

The company's functional and presentational currency is GBP (£).

**Taxation**

The company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

**Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the Bank.

**Operating leases**

Rentals under operating leases are charged to the statement of financial activities incorporating income and expenditure account on a straight line basis over the lease term.

Children's Heart Surgery Fund

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2022

**3. JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND ESTIMATION UNCERTAINTY**

Preparation of the financial statements requires management to make significant judgments and estimates. General estimation areas include accruals, prepayments and depreciation.

**4. DONATIONS AND LEGACIES**

	2022	2021
	£	£
Donations	545,510	697,694
Gift aid	28,399	44,571
Legacies	12,719	5,000
Grants	91,571	128,871
	<u>678,199</u>	<u>876,136</u>

**5. CHARITABLE ACTIVITIES**

	2022	2021
	£	£
Fundraising events	158,144	72,341
Other income	3,553	2,985
Furlough income	-	2,029
	<u>161,697</u>	<u>77,355</u>

**6. INVESTMENT INCOME**

	2022	2021
	£	£
Income from listed investments	10,656	8,891
Deposit account interest	-	75
	<u>10,656</u>	<u>8,966</u>

**7. FUNDRAISING COSTS**

	2022	2021
	£	£
Staff costs	243,228	189,738
Fundraising appeal and event costs	61,252	44,797
Media and communication costs	8,942	7,458
General fundraising costs	24,940	21,035
	<u>338,362</u>	<u>263,028</u>

**8. INVESTMENT MANAGEMENT COSTS**

	2022	2021
	£	£
Investment management	<u>5,698</u>	<u>5,828</u>

Children's Heart Surgery Fund

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2022

**9. CHARITABLE ACTIVITIES COSTS**

	Direct Costs £	Grant funding of activities (see note 10) £	Support costs (see note 11) £	Totals £
Governance cost	-	-	3,999	3,999
Charitable activities	-	234,252	324,247	558,499
Family support services	153,049	-	21,852	174,901
	<u>153,049</u>	<u>234,252</u>	<u>350,098</u>	<u>737,399</u>

**10. GRANTS PAYABLE**

	2022 £	2021 £
Charitable activities	<u>234,252</u>	<u>461,409</u>

The total grants paid to Institutions during the year was as follows:

	2022 £	2021 £
Equipment grants	94,705	387,194
Course attendance/ training grants	8,817	2,075
Other grants	114,025	14,425
	<u>217,547</u>	<u>403,694</u>

Included within Other grants this year is an amount paid for support for specialist medical posts of £95,470. These grants have been explained within page 3 of the Report of the Trustees.

The total grants paid to Individuals during the year was as follows:

	2022 £	2021 £
Course attendance/ training grants	-	40,000
Family support	16,705	17,715
	<u>16,705</u>	<u>57,715</u>

**11. SUPPORT COSTS**

	Management £	Governance costs £	Totals £
Governance cost	-	3,999	3,999
Charitable activities	324,247	-	324,247
Family support services	21,852	-	21,852
	<u>346,099</u>	<u>3,999</u>	<u>350,098</u>

Children's Heart Surgery Fund

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2022

**11. SUPPORT COSTS - continued**

Support costs, included in the above, are as follows:

				2022	2021
	Governance cost	Charitable activities	Family support services	Total activities	Total activities
	£	£	£	£	£
Wages	-	141,284	6,325	147,609	102,277
Social security	-	14,562	-	14,562	9,113
Pensions	-	21,604	-	21,604	25,620
Grant administration costs	-	6,582	-	6,582	6,482
Other expenses	-	128,867	15,527	144,394	90,059
Amortisation of intangible fixed assets	-	44	-	44	44
Depreciation of tangible assets	-	11,258	-	11,258	12,623
Loss on disposal of tangible fixed assets	-	46	-	46	-
Loss on sale of fixed assets	-	-	-	-	487
Trustees' expenses	1,499	-	-	1,499	1,412
Auditors' remuneration	2,500	-	-	2,500	2,500
	<u>3,999</u>	<u>324,247</u>	<u>21,852</u>	<u>350,098</u>	<u>250,617</u>

**12. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	2022	2021
	£	£
Auditors' remuneration	2,500	2,500
Depreciation - owned assets	11,258	12,623
Deficit on disposal of fixed assets	46	487
CHSF Trademark amortisation	22	22
Katie Bear trademark amortisation	22	22
	<u>22,154</u>	<u>28,154</u>

**13. TRUSTEES' REMUNERATION AND BENEFITS**

	2022	2021
	£	£
Governance - Trustees expenses reimbursed	1,090	990
Trustees professional indemnity	409	422
	<u>1,499</u>	<u>1,412</u>

**14. STAFF COSTS**

	31/12/22	31/12/21
	£	£
Wages and salaries	410,510	310,414
Social security costs	36,347	24,511
Other pension costs	51,293	52,345
	<u>498,150</u>	<u>387,270</u>

The average monthly number of employees during the year was as follows:

	2022	2021
Total	<u>15</u>	<u>13</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2022

14. STAFF COSTS - continued

Average headcount expressed as a full time equivalent

	2022	2021
Administration	4	3
Fundraising & Marketing	8	6
Family Services	1	1
	13	10
	13	10

No employees received emoluments in excess of £60,000.

15. PRIOR YEAR RESTATEMENT

Due to a material presentational change in expenditure this year, prior year figures have been amended to ensure this presentational change can be looked at comparatively against the prior year. This change results in the financial statements providing more reliable and more relevant information, but does not have an impact on the financial performance in either year as it solely relates to cost allocations.

16. INTANGIBLE FIXED ASSETS

	CHSF Trademark £	Katie Bear trademark £	Totals £
<b>COST</b>			
At 1 January 2022 and 31 December 2022	220	220	440
<b>AMORTISATION</b>			
At 1 January 2022	114	114	228
Charge for year	22	22	44
At 31 December 2022	136	136	272
<b>NET BOOK VALUE</b>			
At 31 December 2022	84	84	168
At 31 December 2021	106	106	212

17. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Equipment £	Totals £
<b>COST</b>			
At 1 January 2022	2,782	53,703	56,485
Additions	2,346	13,835	16,181
Disposals	(318)	(4,425)	(4,743)
At 31 December 2022	4,810	63,113	67,923
<b>DEPRECIATION</b>			
At 1 January 2022	1,418	39,279	40,697
Charge for year	991	10,267	11,258
Eliminated on disposal	(273)	(4,425)	(4,698)
At 31 December 2022	2,136	45,121	47,257
<b>NET BOOK VALUE</b>			
At 31 December 2022	2,674	17,992	20,666
At 31 December 2021	1,364	14,424	15,788

Children's Heart Surgery Fund

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2022

18. FIXED ASSET INVESTMENTS

	2022	2021
	£	£
Shares	651,486	647,117
Other Investments	12,760	23,000
	<u>664,246</u>	<u>670,117</u>

Additional Information as follows:

	Listed Investments £
<b>MARKET VALUE</b>	
At 1 January 2022	647,117
Additions	168,350
Disposals	(96,152)
Revaluations	(67,829)
At 31 December 2022	<u>651,486</u>
<b>NET BOOK VALUE</b>	
At 31 December 2022	<u>651,486</u>
At 31 December 2021	<u>647,117</u>

There were Investment assets outside the UK.

Overseas Equities totalled to the amount of £195,065 (2021: £217,386).

UK Equities totalled to the amount of £145,371 (2021: £109,843).

Other investments totalled to the amount of £311,590 (2021: £319,888).

Cost or valuation at 31 December 2022 is represented by:

	Listed Investments £
Valuation In 2022	<u>651,486</u>

Investments (neither listed nor unlisted) were as follows:

	2022	2021
	£	£
At 1 January 2022	23,000	34,418
Additions	(110,672)	(148,523)
Disposals	96,153	135,088
Cash at bank movements	(5,854)	(6,932)
Transfers	9,933	8,949
	<u>12,760</u>	<u>23,000</u>

Children's Heart Surgery Fund

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2022

19. STOCKS

	2022	2021
	£	£
Stocks	16,849	18,650

20. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Prepayments and accrued income	31,616	30,858
	31,616	30,858

21. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/12/22	31/12/21
	£	£
Grant applications payable	449,499	385,654
Accruals and deferred income	17,670	83,011
Other creditors	1,166	1,695
	468,335	470,360

22. LEASING AGREEMENTS

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

	2022	2021
	£	£
Within one year	17,855	21,360
Between one and five years	186	16,589
	18,041	37,929

23. MOVEMENT IN FUNDS

	At 1/1/22	Net movement in funds	At 31/12/22
	£	£	£
<b>Unrestricted funds</b>			
General fund	725,638	(291,803)	433,835
<b>Restricted funds</b>			
INR kits	923	(923)	-
Kardla mobile devices	-	91	91
Family support worker	8,000	(8,000)	-
General expenditure supporting children	-	1,568	1,568
Congenital Heart Unit fund	-	331	331
	8,923	(6,933)	1,990
<b>TOTAL FUNDS</b>	<b>734,561</b>	<b>(298,736)</b>	<b>435,825</b>

Children's Heart Surgery Fund

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2022

23. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	734,259	(958,233)	(67,829)	(291,803)
<b>Restricted funds</b>				
INR kits	4,716	(5,639)	-	(923)
Kardia mobile devices	5,872	(5,781)	-	91
Welcome packs	1,839	(1,839)	-	-
Katie bears	3,089	(3,089)	-	-
Family support worker	2,602	(10,602)	-	(8,000)
MRI exercise bike	13,206	(13,206)	-	-
General expenditure supporting children	10,250	(8,682)	-	1,568
ECMO landing monitor	23,000	(23,000)	-	-
Parent accomodation	2,180	(2,180)	-	-
Playroom equipment	1,366	(1,366)	-	-
Developmental toys	3,664	(3,664)	-	-
iPads	1,837	(1,837)	-	-
Eckersley House	10,000	(10,000)	-	-
Halloween event	1,200	(1,200)	-	-
Equipment for hospital accommodation	84	(84)	-	-
Wharfedale ECHO	27,500	(27,500)	-	-
Congenital Heart Unit fund	331	-	-	331
Christmas party	1,700	(1,700)	-	-
Katie bear medals	992	(992)	-	-
Katie bear certificates for patients	865	(865)	-	-
	<u>116,293</u>	<u>(123,226)</u>	<u>-</u>	<u>(6,933)</u>
<b>TOTAL FUNDS</b>	<u>850,552</u>	<u>(1,081,459)</u>	<u>(67,829)</u>	<u>(298,736)</u>

Comparatives for movement in funds

	At 1/1/21 £	Net movement in funds £	At 31/12/21 £
<b>Unrestricted funds</b>			
General fund	917,922	(192,284)	725,638
<b>Restricted funds</b>			
INR kits	5,884	(4,961)	923
Welcome packs	1,622	(1,622)	-
Katie bears	500	(500)	-
Book case and books	589	(589)	-
Wellbeing sessions for families	647	(647)	-
Family support worker	606	7,394	8,000
	<u>9,848</u>	<u>(925)</u>	<u>8,923</u>
<b>TOTAL FUNDS</b>	<u>927,770</u>	<u>(193,209)</u>	<u>734,561</u>

## Children's Heart Surgery Fund

### Notes to the Financial Statements - continued for the Year Ended 31 December 2022

#### 23. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	760,576	(1,001,013)	48,153	(192,284)
<b>Restricted funds</b>				
INR kits	3,842	(8,803)	-	(4,961)
Kardia mobile devices	5,461	(5,461)	-	-
Welcome packs	3,143	(4,765)	-	(1,622)
Tesco vouchers for cardiac patients	1,000	(1,000)	-	-
Baby MRI pod	20,475	(20,475)	-	-
Katie bears	560	(1,060)	-	(500)
Fish tank, bears, stickers	500	(500)	-	-
Book case and books	-	(589)	-	(589)
Wellbeing sessions for families	-	(647)	-	(647)
Family support worker	8,000	(606)	-	7,394
Headlight camera	11,250	(11,250)	-	-
Echo software	40,500	(40,500)	-	-
MRI exercise bike	18,304	(18,304)	-	-
Babytherm	9,856	(9,856)	-	-
General expenditure supporting children	9,000	(9,000)	-	-
Breastfeeding initiative	17,167	(17,167)	-	-
Radio-frequency machine	5,000	(5,000)	-	-
ECMO landing monitor	7,500	(7,500)	-	-
Camp in the cloud	1,115	(1,115)	-	-
Fellowship	10,000	(10,000)	-	-
Parent accommodation	29,208	(29,208)	-	-
	<u>201,881</u>	<u>(202,806)</u>	<u>-</u>	<u>(925)</u>
<b>TOTAL FUNDS</b>	<u>962,457</u>	<u>(1,203,819)</u>	<u>48,153</u>	<u>(193,209)</u>

#### 24. RELATED PARTY DISCLOSURES

The charity is under the control of the Trustees as set out on page 8 of the Trustees' Annual Report.

Included within salary costs is an amount of £226,045 (2021: £173,597) which was paid to key management as remuneration.

In the year, services were provided free of charge by a company under the control of a trustee. These were treated as gift in kind transactions with a total value for the year of £3,600.

There were no other transactions with any related parties during the current year.

**CHILDREN'S HEART SURGERY FUND**

England & Wales - Charity number 1148359

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# Accounts

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Report of the Trustees and  
Financial Statements for the Year Ended 31 December 2021  
for  
Children's Heart Surgery Fund

Children's Heart Surgery Fund

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for the Year Ended 31 December 2021

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## Children's Heart Surgery Fund

### Report of the Trustees for the Year Ended 31 December 2021

The Trustees (who are also directors of the Charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of the Children's Heart Surgery Fund (the company) for the year ended 31 December 2021. The Trustees confirm that the company's annual report and financial statements comply with the current statutory requirements, the requirements of the charity's governing document, and the provisions of the Statement of Recommended Practice (SORP).

Since the Charity qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

#### **OBJECTIVES AND ACTIVITIES**

The Charity's main objective is to enhance the quality of care and support available to babies, young children, and adult congenital cardiac patients treated at the Leeds Congenital Heart Unit, based at Leeds General Infirmary. This objective is presently fulfilled for the benefit of the public in several ways:

- o Provision of new and primary revolutionary equipment not available from NHS resources to improve the care available to the Leeds Heart Unit beneficiaries. The Charity also awards grants to Leeds Congenital Cardiac staff to attend specialist courses unavailable to them to further their expertise to improve patient care.
- o Supply of equipment and other items makes the children's wards and play areas more user friendly and more conducive to a child's recovery while under the care of the Congenital Heart ward.
- o We are funding a small number of specialist research projects and posts when the need arises, which enhances knowledge and expertise in the field to benefit future beneficiaries.
- o Funding for the costs of medical, nursing and other health professionals with a view to the positions eventually being funded by LTHT.
- o Funding for family accommodation
- o We are providing Financial Assistance direct to families.

#### **GRANT MAKING POLICIES**

The organisation's objective is achieved through grant-making activity.

##### **a) Beneficiary Status**

The Charity will consider relevant applications for grants from:

1. LTHT clinicians and employees working for the Leeds Congenital Heart Service.
2. Congenital heart patients & their families
3. Voluntary organisations
4. Charitable organisations

##### **b) Geographical area**

The Charity provides regional support, in line with the support given from the Leeds Congenital Heart Unit, which covers Yorkshire & the Humber, and North Lincolnshire.

##### **c) Size of grants**

The amount of each grant varies, depending on the project. Trustees set budgets for grant expenditure based on anticipated income and the need to maintain an appropriate level of reserves.

## Children's Heart Surgery Fund

### Report of the Trustees for the Year Ended 31 December 2021

#### **d) Assessment process**

1. Relevant information is gathered via submitted application forms
2. Applications are considered by the Chief Executive officer, The Finance Sub-Committee or the Trustee Board as determined by agreed authority levels. Decisions are made based on the extent to which the proposal furthers the aims and objectives of the charity, and the scope of available resources.

#### **e) Post Award Review**

The Charity reserves the right to request, from the applicant, confirmation that funds have been spent appropriately. It may also, where appropriate, ask applicants for one or more report(s)/update(s) to update CHSF trustees on the progress of the project and assess the effectiveness of any funding. The report should be submitted to the Trustees within six months.

#### **VOLUNTEERS**

Volunteers play a key and valued role in the charity's fundraising operations. Volunteers are supported in their activities by the Charity's professional fundraising team in accordance with organisational policies.

#### **ACHIEVEMENT AND PERFORMANCE**

##### **Review of activities**

Overall performance was excellent, considering the ongoing challenges we continued to face in 2021. Looking ahead, the Charity is set for growth, and new roles in Fundraising and Marketing in 2022 should see longer-term income growth, CHSF also managed to publish its third-social impact report, and research shows we are still among the first charities in our niche sector to produce such a detailed impact report.

Year on year, we continue to reach a sizeable growing audience on social media and in the regional press. Research tells us we have a more extensive community following than some of the larger competitor health care charities on platforms such as Facebook and Instagram.

We continue to deliver on agreed projects for the hospital and continue to support Eckersley House as they provide accommodation for some of our families when our rooms are full. Looking ahead, we intend to continue collaboration with additional charities. We believe the public likes to see Charities working together to reach their overall aims.

##### **Medical support**

In 2021 we increased support to the Leeds Congenital Heart Unit, significantly spending more on beneficiaries than in previous years. Training support for the Leeds Congenital Heart Unit continued to dip, but we expect to see a rise in 2022 as the Heart Unit Staff start to look at the broader picture post-Covid pandemic. CHSF funding usually covers the cost of travel and accommodation.

Medical equipment funded is equipment not available from NHS resources and improves the care available to the Leeds Congenital Heart Unit patients. Funding to attend specialist courses, not otherwise available through the NHS, enhances expertise.

In 2021 we continued to supply INR testing kits. These are pieces of equipment that enable patients to check their blood levels in the comfort of their homes. These are essential machines for high-risk patients to prevent a blood clot that could lead to a potential stroke.

Kardia mobile devices and blood pressure monitors have been a focus of support for adult patients living with Congenital Heart Disease.

## Children's Heart Surgery Fund

### Report of the Trustees for the Year Ended 31 December 2021

#### **Non- medical equipment**

Grants for items to enhance the Congenital Heart Ward and play area create an environment more conducive to recovery by minimising stress. We continue to supply iPads, toys, and a fish tank. The overall aim is to aid patient recovery.

In 2021 we saw Tiny Tickers deliver the long-awaited sonography training for the Leeds Congenital Heart Unit staff and the other national heart units. This special staff training aims to increase the NHS sonographer's skill and expertise in detecting congenital heart disease in unborn babies. Early detection is key to the mother's health and the baby's plan for delivery. CHSF sponsored the whole training nationally.

#### **Family support**

The Charity supports families with financial support grants and provides extraordinary contributions for exceptional circumstances. We have seen a further increase in this type of support over the last year. We have also introduced food vouchers. We have made extensive connections with other organisations from a signposting perspective; we now have relationships with the Leeds Foodbank, the debt recovery charity Step Change and housing issue referrals in various areas outside the City of Leeds. The offer given to families is be-spoke, depending on the circumstances. Working very closely with the Cardiac Nurse Specialists, we identify gaps the hospital can't fill.

Patients and their families benefit enormously from this kind of assistance. Financial difficulties can add to the trauma of the diagnosis and treatment when income is reduced. Families face additional expenses such as travel and an increase in living costs when residing in the hospital for long periods, which places an increased burden on the family budget, especially in current times when the cost of living is so high.

In 2021 CHSF upgraded and refurbished the vital parent accommodation based in Brotherton Wing, providing a much more comfortable environment. The shower rooms were upgraded, the bedrooms were painted, and new blinds and appropriate flooring were laid. We provided new beds, making for a much more restful space during a significantly difficult time. These rooms are much needed for parents when their children are recovering in the Paediatric Intensive Care Unit.

In 2021 Trustees focused support on the outer areas of the hospital, the peripheral clinics. Four nurses were agreed to be funded in four different locations, Grimsby, Bradford, Sheffield and Calderdale. These posts will make a huge difference to patients in the outer areas who at the moment have very little expertise in the field of Congenital Heart Disease. This is seen as a significant move forward in supporting the Yorkshire Network in delivering the best care and support for patients. .

#### **Eckersley House**

Eckersley House, adjacent to the Children's Hospital, provides accommodation for families outside the Leeds area whose children are being treated in the intensive care unit. The Sick Children's Trust runs the home from home accommodation. In recognition of the house's heavy use by the Congenital Heart Unit's parents, CHSF donates a substantial amount to the running costs per year. CHSF have supported Eckersley House for many years; the total sum gifted comes to over half a million pounds.

#### **Practical support**

In 2021 we continued to provide items to aid administration, such as giving folders for patients and contact cards for staff to ensure patients and families had their up-to-date contact information. We also provided Wi-Fi for the parent accommodation area to access the internet while staying overnight.

## Children's Heart Surgery Fund

### Report of the Trustees for the Year Ended 31 December 2021

#### **Fundraising**

Children's Heart Surgery Fund receives no statutory funding and relies 100% on voluntary donations. We actively support individuals and groups fundraising within the community and develop corporate partnerships across Yorkshire and Humber to raise the most funds. Last year, we did not use a third-party professional or commercial participator.

In 2021, we continued the digital fundraising focus on the challenges of COVID. Face to face events didn't happen very often, the odd corporate networking event took place, but parent-led events such as the Children's Christmas Party didn't happen. Nor did our regular stewarding events in the hospital due to tight restrictions. Our individual running events took place; these were administered through our Community Fundraising Manager.

We have seen an increase in supporters using the JustGiving platform, shifting from Facebook giving, which is positive as we can claim Gift Aid through Just Giving but not through the Social Media platforms. In 2021 we increased training on the CRM system throughout fundraising. The CRM was led by the Fundraising Manager.

The CRM working group has gained some great insights and has started to use the system more often and feel less anxious about it. The finance team continues to make good progress in adapting old finance processes to fit our new way of working, which is helping on the inputting and the reporting side.

Fundraising activity carried out on behalf of CHSF is closely monitored by the Fundraising Manager and CEO. CHSF also have a longstanding Marketing and Fundraising committee chaired by two Trustees, who provide support and good governance to ensure adherence to the Fundraising Code of conduct, and feedback on information when required.

The team offers a wide range of advice and support to ensure compliance and deliver an excellent supporter experience. We have adapted how we communicate to the needs of our supporters.

#### **GDPR**

CHSF continues to comply with the new General Data Protection Regulation (May 2018). We provided tailored staff guidance and training. We are committed to protecting personal information and being transparent about what we do with it.

#### **Investment policy and performance**

The investment manager regularly meets the Trustees to assess portfolio performance, risk management, future market expectations and the long-term investment strategy. The investment portfolio was valued at £670,117, with income received in the period £8,891.

The Trustees are satisfied with the level of return achieved during the Year. The actual income yield is 1.3%, with income and capital yield received being 8%.

Children's Heart Surgery Fund

Report of the Trustees  
for the Year Ended 31 December 2021

**FINANCIAL REVIEW**

**Going Concern**

After making appropriate enquiries, the trustees reasonably expect the charity to have adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

With COVID-19 related restrictions continuing into 2022, CHSF has continued to take an adaptable and flexible approach to its fundraising activities, postponing its 2022 ball until later in the year and continuing to offer virtual events to its supporters alongside a return to more traditional in-person events.

With CHSF successfully increasing its fundraised income notwithstanding the challenges of COVID-19 restrictions, the growth strategy suspended during the pandemic has been re-instated. Additional posts will be implemented in 2022 to sustain and increase income generation.

**Results for the year**

The attached financial statements show the results of the Charity for the year ended 31 December 2021.

The £193,209 net deficit for the year after investment gains and losses was in line with the budget for the year and reflected a strategy of planned deficit budgets over several years to bring reserves into line with the reserves policy. Overall income was 5% above the previous year despite a reduction in legacy income, furlough income, and government grants.

Expenditure on salaries and general running costs (Fundraising Costs per note 7; Investment Management Costs per note 8; Support costs per note 11) has decreased by 8% due to cost savings made from moving offices.

The Charity has spent £643,363 on supporting its beneficiaries.

## Children's Heart Surgery Fund

### Report of the Trustees for the Year Ended 31 December 2021

#### **Reserves policy**

The Charity Commission uses the term 'reserves' to describe that part of a charity's freely available income funds.

'Reserves' are therefore the resources that Children's Heart Surgery Fund has or can make available to spend for any or all the charity's purposes once it has met its commitments and covered its other planned expenditure.

Responsibility for establishing an appropriate reserves policy lies with Children's Heart Surgery Fund Trustees, who understand the business of the Charity. Our Trustees have taken care to consider the needs of the business in setting a level of reserves that they believe to be appropriate.

Having considered all factors, the Trustees amended the policy in 2019. The Trustees agreed that Children's Heart Surgery Fund should aim to maintain reserves sufficient to cover six months' costs, excluding costs of support to beneficiaries. This will provide enough reserves to respond to any significant change in the external environment.

In September 2020, as a prudent response to the potential impact of COVID-19 restrictions, a temporary change to the reserves policy was made to increase cover to twelve months' costs, excluding costs of beneficiary support. The temporary arrangement has been regularly reviewed and will be reconsidered in April 2022.

The Charity will endeavour to ensure that the reserves remain within the agreed range through;

- o Creation of detailed budgets and plans to estimate likely cash inflows and outflows over a five-year horizon.
- o Careful monitoring of the reserves levels through the regular Finance Committee meetings and Trustee meetings.

As reserves at the end of 2021 exceed both the temporary and permanent policy, current plans are to bring reserves into line with the permanent policy by the end of 2026.

## Children's Heart Surgery Fund

### Report of the Trustees for the Year Ended 31 December 2021

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Constitution**

The charity is registered as a charitable company limited by guarantee and constituted under the articles of association.

The registered charity number is 1148359.

### **Method of appointment or election of trustees**

The Board of Trustees appoints trustees. Trustees hold office for five years, after which period they may put themselves forward for reappointment. Appointment review dates are structured to ensure continuity of experience and to allow for succession planning.

### **Policies adopted for the induction and training of trustees**

New Trustees are recruited to ensure that collectively the Board maintains a broad range of varied backgrounds, skills, and experience. We endeavour to provide our beneficiaries' needs reflected by the Board's diversity in terms of the skills and interests represented.

Potential Trustees are briefed to ensure they understand the Charity's objects, activities, strategy and ethos.

### **Organisational structure and decision making**

The Trustees are required to meet twice as a minimum in every calendar year but meet at least five times a year to assess grant applications, review fundraising activity and evaluate ongoing projects and discuss any other matters that may arise.

Day-to-day management of the Charity is delegated to the Chief Executive.

An annual budget is prepared and approved by the Trustees at the beginning of each year, incorporating the projected costs of agreed commitments under the equipment, research, training, management and family support headings.

An annual fundraising strategy is created by the fundraising and marketing manager, with input and oversight from the CEO.

### **Risk management**

The Trustees have assessed the significant risks to which the Charity is exposed, those related to the operations and finances of the Charity and are satisfied that systems and procedures are in place to mitigate our exposure to the significant risks.

Children's Heart Surgery Fund

Report of the Trustees  
for the Year Ended 31 December 2021

**PLANS FOR THE FUTURE**

**Future developments**

Overall, CHSF's 3-5 year strategy continues to support the Leeds Congenital Heart Unit as a World Class centre of excellence by carrying on with the funding of equipment, education and some staff posts, along with many other areas of support.

We will retain focus on the four key areas: **The Heart, the Mind, the Family, and the Future.**

The Trustees have agreed to support the family assistance work further. With some focus on adult patients. We will appoint a part-time role to help the current Family Support Worker in 2022. This will free up some capacity for the current position and assist in the demands of the families and adult patients.

**PUBLIC BENEFIT**

The Trustees consider the objectives and achievements of the Charity, as set out above, to satisfy the requirements of the public benefit guidance published by the Charity Commission.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**  
08152970 (England and Wales)

**Registered Charity number**  
1148359

**Registered office**  
Suite D17  
Joseph's Well  
Hanover Walk  
Leeds  
LS3 1AB

**Trustees**  
P A Goodwin  
W M Haigh  
S L Matley (resigned 23/2/2022)  
S Maule (resigned 23/2/2022)  
J Oliver  
J Quirk  
S J Robinson  
C A M Van Doorn  
J J M Whitaker  
K Brady (appointed 1/7/2021)  
C L Daniels (appointed 25/9/2021)  
M J Fidler (appointed 25/11/2021)

**Auditors**  
Haines Watts  
Chartered Accountants &  
Statutory Auditors  
Sterling House  
1 Sheepscar Court  
Meanwood Road  
Leeds  
West Yorkshire  
LS7 2BB

**REFERENCE AND ADMINISTRATIVE DETAILS**  
**Chief executive officer**

Sharon Milner

**TRUSTEES' RESPONSIBILITY STATEMENT**

The Trustees (who are also directors of The Children's Heart Surgery Fund for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue operating.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**DISCLOSURE OF INFORMATION TO AUDITORS**

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

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

**AUDITORS**

The auditors, Haines Watts Leeds LLP, have indicated their willingness to continue in office. The Trustees will propose a motion re-appointing the auditors at a meeting of the Trustees.

In preparing this report, the Trustees have taken advantage of the small companies exemption provided by section 415A of the Companies Act 2006

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 order of the board of trustees on 21 April 2022 and signed on its behalf by:



P A Goodwin - Trustee

Report of the Independent Auditors to the Members of  
Children's Heart Surgery Fund

**Opinion**

We have audited the financial statements of Children's Heart Surgery Fund (the 'charitable company') for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

**Other information**

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

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

**Responsibilities of trustees**

As explained more fully in the Trustees' Responsibilities Statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**Our responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees and other management; and from our commercial knowledge and experience of the charity sector
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment and health and safety legislation;
- we assessed the extent of compliance with laws and regulations identified above through making enquiries of management; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit

We assessed the susceptibility of the charity's financial statements to misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- understanding the design of the charity's remuneration policies.

To address the risk of fraud through management bias and override of controls, including the impact on revenue recognition, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 3 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions; and
- the use of data analytics to identify transactions requiring further investigation.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosure to underlying supporting documentation;
- reading the minutes of meetings of the trustees; and
- enquiring of management as to actual and potential litigation and claims

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

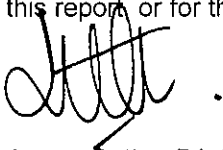
Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion

Report of the Independent Auditors to the Members of  
Children's Heart Surgery Fund

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



James Sutton BA (Hons) FCA (Senior Statutory Auditor)  
for and on behalf of Haines Watts  
Chartered Accountants &  
Statutory Auditors  
Sterling House  
1 Sheepscar Court  
Meanwood Road  
Leeds  
West Yorkshire  
LS7 2BB

13 June 2022

Children's Heart Surgery Fund

Statement of Financial Activities  
for the Year Ended 31 December 2021

	Notes	Unrestricted fund £	Restricted funds £	31/12/21 Total funds £	31/12/20 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	4	674,254	201,881	876,135	779,435
Charitable activities	5	77,355	-	77,355	127,058
Investment income	6	8,966	-	8,966	9,561
<b>Total</b>		<b>760,575</b>	<b>201,881</b>	<b>962,456</b>	<b>916,054</b>
<b>EXPENDITURE ON</b>					
<b>Raising funds</b>					
Fundraising costs	7	304,013	-	304,013	326,518
Investment management costs	8	5,828	-	5,828	5,283
		309,841	-	309,841	331,801
<b>Charitable activities</b>	9				
Governance cost		3,912	-	3,912	3,082
Charitable activities		557,972	150,141	708,113	408,134
Family support services		129,288	52,664	181,952	76,916
<b>Total</b>		<b>1,001,013</b>	<b>202,805</b>	<b>1,203,818</b>	<b>819,933</b>
Net gains on investments		48,153	-	48,153	13,503
<b>NET INCOME/(EXPENDITURE)</b>		<b>(192,285)</b>	<b>(924)</b>	<b>(193,209)</b>	<b>109,624</b>
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		917,922	9,848	927,770	818,146
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>725,637</b>	<b>8,924</b>	<b>734,561</b>	<b>927,770</b>

The notes form part of these financial statements

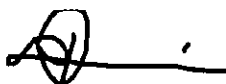
Children's Heart Surgery Fund

Balance Sheet  
31 December 2021

	Notes	Unrestricted fund £	Restricted funds £	31/12/21 Total funds £	31/12/20 Total funds £
<b>FIXED ASSETS</b>					
Intangible assets	15	212	-	212	256
Tangible assets	16	15,788	-	15,788	29,026
Investments	17	670,117	-	670,117	620,044
		<u>686,117</u>	<u>-</u>	<u>686,117</u>	<u>649,326</u>
<b>CURRENT ASSETS</b>					
Stocks	18	18,650	-	18,650	12,361
Debtors	19	21,935	8,923	30,858	16,436
Cash at bank and in hand		469,296	-	469,296	445,903
		<u>509,881</u>	<u>8,923</u>	<u>518,804</u>	<u>474,700</u>
<b>CREDITORS</b>					
Amounts falling due within one year	20	(470,360)	-	(470,360)	(196,256)
<b>NET CURRENT ASSETS</b>					
		<u>39,521</u>	<u>8,923</u>	<u>48,444</u>	<u>278,444</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
		<u>725,638</u>	<u>8,923</u>	<u>734,561</u>	<u>927,770</u>
<b>NET ASSETS</b>					
		<u>725,638</u>	<u>8,923</u>	<u>734,561</u>	<u>927,770</u>
<b>FUNDS</b>					
	22			725,638	917,922
Unrestricted funds				8,923	9,848
Restricted funds					
<b>TOTAL FUNDS</b>					
				<u>734,561</u>	<u>927,770</u>

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

The financial statements were approved by the Board of Trustees and authorised for issue on 21 April 2022 and were signed on its behalf by:



P A Goodwin - Trustee



J J M Whitaker - Trustee

Children's Heart Surgery Fund

Cash Flow Statement  
for the Year Ended 31 December 2021

	Notes	31/12/21 £	31/12/20 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	25,110	130,735
Net cash provided by operating activities		<u>25,110</u>	<u>130,735</u>
<b>Cash flows from Investing activities</b>			
Purchase of tangible fixed assets		(794)	(6,230)
Purchase of fixed asset investments		(148,523)	(322,731)
Sale of tangible fixed assets		922	(73)
Sale of fixed asset investments		135,088	326,729
Other cash movements on investments		11,515	-
Interest received		75	1,017
Net cash used in investing activities		<u>(1,717)</u>	<u>(1,288)</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<u>23,393</u>	<u>129,447</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>445,903</u>	<u>316,456</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u><u>469,296</u></u>	<u><u>445,903</u></u>

The notes form part of these financial statements

Children's Heart Surgery Fund

Notes to the Cash Flow Statement  
for the Year Ended 31 December 2021

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

	31/12/21 £	31/12/20 £
<b>Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)</b>	(193,209)	109,624
<b>Adjustments for:</b>		
Depreciation charges	12,667	25,610
Gain on investments	(48,153)	(13,503)
Loss on disposal of fixed assets	487	18,451
Interest received	(75)	(1,017)
(Increase)/decrease in stocks	(6,289)	1,760
(Increase)/decrease in debtors	(14,422)	4,841
Increase/(decrease) in creditors	274,104	(15,031)
<b>Net cash provided by operations</b>	<u>25,110</u>	<u>130,735</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/1/21 £	Cash flow £	At 31/12/21 £
<b>Net cash</b>			
Cash at bank and in hand	445,903	23,393	469,296
	<u>445,903</u>	<u>23,393</u>	<u>469,296</u>
<b>Total</b>	<u>445,903</u>	<u>23,393</u>	<u>469,296</u>

## Children's Heart Surgery Fund

### Notes to the Financial Statements for the Year Ended 31 December 2021

#### 1. GENERAL INFORMATION

Children's Heart Surgery Fund is a charity incorporated in England and Wales at Suite D17, Joseph's Well, Hanover Walk, Leeds, LS3 1AB under company registered number 08152970 and charity registered number 1148359.

#### 2. ACCOUNTING POLICIES

##### **Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

Children's Heart Surgery Fund 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.

##### **Company status**

The company is a company limited by guarantee. The members of the company are the Trustees named on page 8. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

##### **Going concern**

At the time of approving the financial statements the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

##### **Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, 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 company is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that 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 company has been notified of the executor's intention to make a distribution. Where legacies have been notified to the company, or the company is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated services or facilities are recognised when the company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the company of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the volunteers is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the company which is the amount the company would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

**2. ACCOUNTING POLICIES - continued**

**Income**

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

**Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Leeds General Infirmary. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the company's educational operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled.

All expenditure is inclusive of irrecoverable VAT.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

**Intangible fixed assets**

Intangible assets are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment. Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset, less their estimated residual value, over their expected useful lives on the following bases:

Katie Bear trademark - 10% straight line  
Trademarks - 10% straight line

**Tangible fixed assets**

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the statement of financial activities incorporating income and expenditure account.

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

Motor vehicles - 20% straight line  
Fixtures and fittings - 25% straight line  
Equipment - 25% straight line

**2. ACCOUNTING POLICIES - continued**

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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

**Pension costs and other post-retirement benefits**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

**Debtors**

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

**Cash at Bank and in hand**

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**Liabilities and provisions**

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

**Investments**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the statement of financial activities incorporating income and expenditure account.

**Functional and presentation currency**

The company's functional and presentational currency is GBP (£).

**Taxation**

The company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

## Children's Heart Surgery Fund

### Notes to the Financial Statements - continued for the Year Ended 31 December 2021

#### 2. ACCOUNTING POLICIES - continued

##### **Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the Bank.

##### **Operating leases**

Rentals under operating leases are charged to the statement of financial activities incorporating income and expenditure account on a straight line basis over the lease term.

#### 3. JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND ESTIMATION UNCERTAINTY

Preparation of the financial statements requires management to make significant judgments and estimates. General estimation areas include accruals, prepayments and depreciation.

#### 4. DONATIONS AND LEGACIES

	31/12/21	31/12/20
	£	£
Donations	697,693	482,840
Gift aid	44,571	28,200
Legacies	5,000	162,000
Grants	128,871	106,395
	<u>876,135</u>	<u>779,435</u>

#### 5. CHARITABLE ACTIVITIES

	31/12/21	31/12/20
	£	£
Fundraising events	72,341	79,863
Other income	2,985	4,194
Government grant income	-	10,000
Furlough income	2,029	33,001
	<u>77,355</u>	<u>127,058</u>

#### 6. INVESTMENT INCOME

	31/12/21	31/12/20
	£	£
Income from listed investments	8,891	8,544
Deposit account interest	75	1,017
	<u>8,966</u>	<u>9,561</u>

Children's Heart Surgery Fund

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2021

**7. FUNDRAISING COSTS**

	31/12/21	31/12/20
	£	£
Staff costs	216,333	232,056
Fundraising appeal and event costs	57,165	43,692
Media and communication costs	9,073	27,418
General fundraising costs	21,442	23,352
	<u>304,013</u>	<u>326,518</u>

**8. INVESTMENT MANAGEMENT COSTS**

	31/12/21	31/12/20
	£	£
Investment management	<u>5,828</u>	<u>5,283</u>

**9. CHARITABLE ACTIVITIES COSTS**

	Direct Costs £	Grant funding of activities (see note 10) £	Support costs (see note 11) £	Totals £
Governance cost	-	-	3,912	3,912
Charitable activities	-	461,409	246,704	708,113
Family support services	181,952	-	-	181,952
	<u>181,952</u>	<u>461,409</u>	<u>250,616</u>	<u>893,977</u>

**10. GRANTS PAYABLE**

	31/12/21	31/12/20
	£	£
Charitable activities	<u>461,409</u>	<u>138,551</u>

The total grants paid to institutions during the year was as follows:

	31/12/21	31/12/20
	£	£
Equipment grants	387,194	157,027
Course attendance/ training grants	2,075	19,246
Other grants	14,425	(56,002)
	<u>403,694</u>	<u>120,271</u>

The total grants paid to individuals during the year was as follows:

	31/12/21	31/12/20
	£	£
Course attendance/ training grants	40,000	-
Family support	17,715	18,280
	<u>57,715</u>	<u>18,280</u>

The amount included within Other grants in the prior year is a negative figure as £100,000 of grant amounts awarded in 2019 were written back to the charity in 2020, as the funds were no longer required due to changes arising from COVID-19.

Children's Heart Surgery Fund

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2021

11. SUPPORT COSTS

	Management £	Finance £	Governance costs £	Totals £
Governance cost	-	-	3,912	3,912
Charitable activities	246,217	487	-	246,704
	<u>246,217</u>	<u>487</u>	<u>3,912</u>	<u>250,616</u>

Support costs, included in the above, are as follows:

	Governance cost £	Charitable activities £	31/12/21 Total activities £	31/12/20 Total activities £
Wages	-	107,902	107,902	108,317
Social security	-	9,113	9,113	8,862
Pensions	-	25,620	25,620	25,750
Other expenses	-	90,915	90,915	89,187
Amortisation of intangible fixed assets	-	44	44	44
Depreciation of tangible assets	-	12,623	12,623	25,566
Loss on sale of fixed assets	-	487	487	18,451
Trustees' expenses	1,412	-	1,412	582
Auditors' remuneration	2,500	-	2,500	2,500
	<u>3,912</u>	<u>246,704</u>	<u>250,616</u>	<u>279,259</u>

12. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31/12/21 £	31/12/20 £
Auditors' remuneration	2,500	2,500
Depreciation - owned assets	12,623	25,639
Deficit on disposal of fixed assets	487	18,451
CHSF Trademark amortisation	22	22
Katie Bear trademark amortisation	22	23
	<u>22,054</u>	<u>57,035</u>

13. TRUSTEES' REMUNERATION AND BENEFITS

	2021 £	2020 £
Governance - Trustees expenses reimbursed	990	124
Trustees professional indemnity	422	458
	<u>1,412</u>	<u>582</u>

Children's Heart Surgery Fund

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2021

**14. STAFF COSTS**

	31/12/21	31/12/20
	£	£
Wages and salaries	310,414	301,279
Social security costs	24,511	23,061
Other pension costs	52,345	50,645
	<u>387,270</u>	<u>374,985</u>

The average monthly number of employees during the year was as follows:

	31/12/21	31/12/20
Total	<u>13</u>	<u>13</u>

Average headcount expressed as a full time equivalent

	2021	2020
Administration	3	3
Fundraising & Marketing	6	7
Family Services	1	
	<u>10</u>	<u>10</u>

No employees received emoluments in excess of £60,000.

**15. INTANGIBLE FIXED ASSETS**

	CHSF Trademark £	Katie Bear trademark £	Totals £
<b>COST</b>			
At 1 January 2021 and 31 December 2021	<u>220</u>	<u>220</u>	<u>440</u>
<b>AMORTISATION</b>			
At 1 January 2021	92	92	184
Charge for year	<u>22</u>	<u>22</u>	<u>44</u>
At 31 December 2021	<u>114</u>	<u>114</u>	<u>228</u>
<b>NET BOOK VALUE</b>			
At 31 December 2021	<u>106</u>	<u>106</u>	<u>212</u>
At 31 December 2020	<u>128</u>	<u>128</u>	<u>256</u>

Children's Heart Surgery Fund

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2021

16. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Equipment £	Totals £
<b>COST</b>			
At 1 January 2021	3,372	67,383	70,755
Additions	794	-	794
Disposals	(1,384)	(13,680)	(15,064)
	<u>2,782</u>	<u>53,703</u>	<u>56,485</u>
<b>DEPRECIATION</b>			
At 1 January 2021	2,193	39,536	41,729
Charge for year	609	12,014	12,623
Eliminated on disposal	(1,384)	(12,271)	(13,655)
	<u>1,418</u>	<u>39,279</u>	<u>40,697</u>
<b>NET BOOK VALUE</b>			
At 31 December 2021	<u>1,364</u>	<u>14,424</u>	<u>15,788</u>
At 31 December 2020	<u>1,179</u>	<u>27,847</u>	<u>29,026</u>

17. FIXED ASSET INVESTMENTS

	31/12/21 £	31/12/20 £
Shares	647,117	585,625
Other Investments	23,000	34,419
	<u>670,117</u>	<u>620,044</u>

Additional information as follows:

	Listed investments £
<b>MARKET VALUE</b>	
At 1 January 2021	585,625
Additions	148,523
Disposals	(135,088)
Revaluations	48,057
	<u>647,117</u>
<b>NET BOOK VALUE</b>	
At 31 December 2021	<u>647,117</u>
At 31 December 2020	<u>585,625</u>

There were investment assets outside the UK.  
Overseas Equities totalled to the amount of £217,386 (2020: £171,076).  
UK Equities totalled to the amount of £109,843 (2020: £129,149).  
Other investments totalled to the amount of £319,888 (2020: £319,819).

Children's Heart Surgery Fund

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2021

**17. FIXED ASSET INVESTMENTS - continued**

Cost or valuation at 31 December 2021 is represented by:

	Listed investments £
Cost	647,117
	<u>          </u>

Investments (neither listed nor unlisted) were as follows:

	31/12/21 £	31/12/20 £
At 1 January 2020	34,418	40,459
Additions	(148,523)	(163,185)
Disposals	135,088	116,218
Cash at bank movements	(6,932)	(4,031)
Transfers	8,949	44,958
	<u>23,000</u>	<u>34,419</u>

**18. STOCKS**

	31/12/21 £	31/12/20 £
Stocks	<u>18,650</u>	<u>12,361</u>

**19. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021 £	2020 £
Prepayments and accrued income	<u>30,858</u>	<u>16,436</u>
	<u>30,858</u>	<u>16,436</u>

**20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31/12/21 £	31/12/20 £
Grant applications payable	385,654	173,754
Accruals and deferred income	83,011	20,152
Other creditors	1,695	2,350
	<u>470,360</u>	<u>196,256</u>

Children's Heart Surgery Fund

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2021

**21. LEASING AGREEMENTS**

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

	31/12/21	31/12/20
	£	£
Within one year	21,360	20,983
Between one and five years	16,569	34,831
	<u>37,929</u>	<u>55,814</u>

**22. MOVEMENT IN FUNDS**

	At 1/1/21	Net movement in funds	At 31/12/21
	£	£	£
<b>Unrestricted funds</b>			
General fund	917,922	(192,284)	725,638
<b>Restricted funds</b>			
INR kits	5,884	(4,961)	923
Welcome packs	1,622	(1,622)	-
Katie bears	500	(500)	-
Book case and books	589	(589)	-
Wellbeing sessions for families	647	(647)	-
Family support worker	606	7,394	8,000
	<u>9,848</u>	<u>(925)</u>	<u>8,923</u>
<b>TOTAL FUNDS</b>	<u>927,770</u>	<u>(193,209)</u>	<u>734,561</u>

Children's Heart Surgery Fund

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2021

**22. MOVEMENT IN FUNDS - continued**

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	760,575	(1,001,012)	48,153	(192,284)
<b>Restricted funds</b>				
INR kits	3,842	(8,803)	-	(4,961)
Kardia mobile devices	5,461	(5,461)	-	-
Welcome packs	3,143	(4,765)	-	(1,622)
Tesco vouchers for cardiac patients	1,000	(1,000)	-	-
Baby MRI pod	20,475	(20,475)	-	-
Katie bears	560	(1,060)	-	(500)
Fish tank, bears, stickers	500	(500)	-	-
Book case and books	-	(589)	-	(589)
Wellbeing sessions for families	-	(647)	-	(647)
Family support worker	8,000	(606)	-	7,394
Headlight camera	11,250	(11,250)	-	-
Echo software	40,500	(40,500)	-	-
MRI exercise bike	18,304	(18,304)	-	-
Babytherm	9,856	(9,856)	-	-
General expenditure supporting children	9,000	(9,000)	-	-
Breastfeeding initiative	17,167	(17,167)	-	-
Radio-frequency machine	5,000	(5,000)	-	-
ECMO landing monitor	7,500	(7,500)	-	-
Camp in the cloud	1,115	(1,115)	-	-
Fellowship	10,000	(10,000)	-	-
Parent accomodation	29,208	(29,208)	-	-
	<u>201,881</u>	<u>(202,806)</u>	<u>-</u>	<u>(925)</u>
<b>TOTAL FUNDS</b>	<u>962,456</u>	<u>(1,203,818)</u>	<u>48,153</u>	<u>(193,209)</u>

Children's Heart Surgery Fund

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2021

22. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/1/20 £	Net movement in funds £	At 31/12/20 £
<b>Unrestricted funds</b>			
General fund	804,179	113,743	917,922
<b>Restricted funds</b>			
INR kits	67	5,817	5,884
Kardia mobile devices	100	(100)	-
Welcome packs	2,700	(1,078)	1,622
Equipment for teenagers	1,000	(1,000)	-
Tesco vouchers for cardiac patients	100	(100)	-
Baby MRI pod	10,000	(10,000)	-
Katie bears	-	500	500
Book case and books	-	589	589
Wellbeing sessions for families	-	647	647
Family support worker	-	606	606
	13,967	(4,119)	9,848
<b>TOTAL FUNDS</b>	<b>818,146</b>	<b>109,624</b>	<b>927,770</b>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	764,428	(664,188)	13,503	113,743
<b>Restricted funds</b>				
INR kits	17,777	(11,960)	-	5,817
Kardia mobile devices	2,985	(3,085)	-	(100)
Welcome packs	500	(1,578)	-	(1,078)
Baby leo incubator	5,000	(5,000)	-	-
Equipment for teenagers	-	(1,000)	-	(1,000)
Tesco vouchers for cardiac patients	-	(100)	-	(100)
Baby MRI pod	94,873	(104,873)	-	(10,000)
Katie bears	500	-	-	500
Fish tank, bears, stickers	600	(600)	-	-
Book case and books	589	-	-	589
Vein finder	992	(992)	-	-
Heart animations	7,590	(7,590)	-	-
Wellbeing sessions for families	13,020	(12,373)	-	647
Family support worker	7,200	(6,594)	-	606
	151,626	(155,745)	-	(4,119)
<b>TOTAL FUNDS</b>	<b>916,054</b>	<b>(819,933)</b>	<b>13,503</b>	<b>109,624</b>

**23. RELATED PARTY DISCLOSURES**

The charity is under the control of the Trustees as set out on page 8 of the Trustees' Annual Report.

Included within salary costs is an amount of £173,597 (2020: £165,159) which was paid to key management as remuneration.

There were no other transactions with any related parties during the current year.

**CHILDREN'S HEART SURGERY FUND**

England & Wales - Charity number 1148359

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# Accounts

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HW

Report of the Trustees and  
Financial Statements for the Year Ended 31 December 2020  
for  
Children's Heart Surgery Fund

Children's Heart Surgery Fund

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for the Year Ended 31 December 2020

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## Children's Heart Surgery Fund

### Report of the Trustees for the Year Ended 31 December 2020

The Trustees (who are also directors of the Charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of the Children's Heart Surgery Fund (the company) for the year ended 31 December 2020. The Trustees confirm that the company's annual report and financial statements comply with the current statutory requirements, the requirements of the company's governing document, and the provisions of the Statement of Recommended Practice (SORP).

Since the Charity qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

#### **OBJECTIVES AND ACTIVITIES**

The main objective of the charity is to enhance the quality of care and support available to babies, young children and adult congenital cardiac patients treated at the Leeds Congenital Heart Unit, based at Leeds General Infirmary. This objective is presently fulfilled for the benefit of the public in several ways:

- o Provision of new and primary revolutionary equipment not available from NHS resources to improve the care available to the Leeds Heart Unit beneficiaries. The charity also awards grants to Leeds Congenital Cardiac staff to attend specialist courses not otherwise available to them to further their expertise to improve patient care.
- o Supply of equipment and other items makes the children's wards and play areas more user friendly and more conducive to a child's recovery while under the care of the Congenital Heart ward.
- o We are funding a small number of specialist research projects and posts when the need arises, which enhances knowledge and expertise in the field to benefit future beneficiaries
- o Funding for the costs of medical, nursing and other health professionals with a view to the positions eventually being funded by LTHT.
- o Funding for family accommodation
- o We are providing Financial Assistance direct to families.

#### **GRANT MAKING POLICIES**

The organisation's objective is achieved through grant-making activity.

##### **a) Beneficiary Status**

The Charity will consider relevant applications for grants from:

1. LTHT clinician's and employees working for the Leeds Congenital Heart Service.
2. Congenital heart patients & their families
3. Voluntary organisations
4. Charitable organisations

##### **b) Geographical area**

The Charity provides regional support, in line with the support given from the Leeds Congenital Heart Unit, which covers Yorkshire & the Humber, and North Lincolnshire.

##### **c) Size of grants**

The amount of each grant varies, depending on the project. Trustees set budgets for grant expenditure based on anticipated income and the need to maintain an appropriate level of reserves.

## Children's Heart Surgery Fund

### Report of the Trustees for the Year Ended 31 December 2020

#### **d) Assessment process**

1. Relevant information is gathered via submitted application forms
2. Applications are considered by the Chief Executive officer, The Finance Sub-Committee or the Trustee Board as determined by agreed authority levels. Decisions are made based on the extent to which the proposal furthers the aims and objectives of the charity, and the scope of available resources.

#### **e) Post Award Review**

The Charity reserves the right to request, from the applicant, confirmation that funds have been spent appropriately. It may also, where appropriate, ask applicants for one or more report(s)/update(s) to update CHSF trustees on the progress of the project and assess the effectiveness of any funding. The report should be submitted to the Trustees within six months.

## **VOLUNTEERS**

Volunteers play a key and valued role in the charity's fundraising operations. Volunteers are supported in their activities by the Charity's professional fundraising team in accordance with organisational policies.

## **ACHIEVEMENT AND PERFORMANCE**

### **Review of activities**

Overall performance was excellent considering the pandemic and the leanness of the CHSF team. CHSF also managed to publish its third Social impact report, and research shows we are still among the first charities in our niche sector to produce such a detailed impact report.

We continue to reach a sizeable growing audience on social media and in the regional press. Research tells us we have a more extensive community following than some of the larger competitor health care charities on platforms such as Facebook and Instagram.

We continue to deliver on agreed projects for the Hospital and continue to support Eckersley House as they provide accommodation for some of our families when our rooms are full. Next year we intend to focus on collaboration with additional charities. We believe the public likes to see Charities working together to reach their overall aims.

### **Medical support**

In 2019 significant grants were awarded towards LTHT staff training, which has led to increased knowledge in Congenital Heart Disease. However, we paused this support with the unexpected pandemic due to the Hospital's lack of demand. The congenital teams have had other pressing matters to deal with ensuring they respond to the pandemic. We are sure this support will resume at some point in 2021. CHSF funding usually covers the cost of travel, accommodation, and training course fees.

Medical equipment funded is equipment not available from NHS resources and improves the care available to the Leeds Congenital Heart Unit patients. Funding to attend specialist courses, not otherwise available through the NHS, enhances expertise.

This year we funded a Baby MRI incubator pod, a revolutionary piece of equipment the first of its kind in the UK. This equipment will improve the diagnosis of complex heart conditions. Moreover, risks to babies' lives will be reduced by eliminating the need for a general anaesthetic and decreasing radiation exposure.

- o Preparing, settling, and transferring babies to the MRI department will be smoother and quicker.
- o MRI scans will be faster, more efficient and less distressing for babies and the whole family.
- o Clearer, more informative images of heart images will be produced.

## Children's Heart Surgery Fund

### Report of the Trustees for the Year Ended 31 December 2020

In 2020 we continued to supply INR testing kits. These are pieces of equipment that enable patients to check their blood levels in the comfort of their homes. These are essential machines for high-risk patients to prevent a blood clot that could lead to a potential stroke.

We supplied 40 INR kits, 102 kardia mobile devices and 15 blood pressure monitors.

CHSF also approved the purchase of a radio frequency machine for the cath labs and a revolutionary headlight camera and TV. The surgeons will use this equipment to showcase their skills to students and straightforwardly review their work post-op for the first time. Also, wireless headsets for use in the Cath lab.

#### **Non- medical equipment**

Grants for items to enhance the Congenital Heart Ward and play area create an environment more conducive to recovery by minimising stress. We have supplied Ipads, toys, and a fish tank. The overall aim is to aid patient recovery.

In 2020 we agreed to support Tiny Tickers charity in delivering a sonography training for the Leeds Congenital Heart Unit staff, including the more comprehensive national heart units. This special staff training aims to increase the NHS sonographer's skill and expertise in detecting congenital heart disease in unborn babies. Early detection is key to the Mothers health and wellbeing. Due to the pandemic, the training will now take place in 2021.

#### **Family support**

The Charity continues to support families with financial support grants and provide extraordinary contributions for exceptional circumstances. We have seen a further increase in this type of support over the last year.

Patients and their families benefit enormously from this kind of assistance. Financial difficulties can add to the trauma of the diagnosis and treatment when income is reduced. Families face additional expenses such as travel and parking when living in the Hospital for long periods, which places an increased burden on the family budget.

In 2019, CHSF financially supported the first therapeutic holiday for heart patients and their families offered by the Charity Over the Wall, which specialises in providing holidays for children with ongoing health conditions. The camps provide some 'quality' family time together, meeting the needs of the families who would not ordinarily be able to afford the cost of a family break away from home. Feedback from the families was extremely positive - these camps were paused in 2020 but will resume online in 2021.

In 2020 CHSF instructed and paid Brightside music to deliver live musical interactions into the congenital Paediatric heart Ward; unlike previous years, the music was offered online. The aim is to change the atmosphere and a welcome distraction from the often challenging environment some of our parents and young children face. Brightside is an organisation funded exclusively by charities and donations. The digital delivery of this service was a challenge in 2020 due to poor Wi-Fi signal. However, we hope to have live interactions back at some point in 2021.

In 2020 support has been provided to families through a patient to help them cope through the lockdown. We have provided additional wellbeing sessions for the families outside of the Hospital's psychology and counselling service. The sessions have gone down very well in helping people manage their anxiety and become more resilient to the significant changes we have all had to deal with. In addition to this, we also offered some stretching and breathing classes, which aids relaxation to individuals and their families; the feedback was very positive.

## Children's Heart Surgery Fund

### Report of the Trustees for the Year Ended 31 December 2020

#### **Eckersley House**

Eckersley House, adjacent to the Children's Hospital, provides accommodation for families outside the Leeds area whose children are being treated in the intensive care unit. The Sick Children's Trust runs the home from home accommodation. In recognition of the house's heavy use by the Congenital Heart Unit's parents, CHSF donates a substantial amount to the running costs per year. CHSF have supported Eckersley House for many years; the total sum gifted comes to over half a million pounds. CHSF donated a further £45,000 in 2020.

#### **Practical support**

In 2020 we continued to provide items to aid administration, such as giving folders for patients and contact cards for staff to ensure patients and families had their up-to-date contact information. We also provided Wi-Fi for the parent accommodation area to access the internet while staying overnight

#### **Fundraising**

Children's Heart Surgery Fund receives no statutory funding and relies 100% on voluntary donations. To raise the majority of funds, we actively support individuals and groups fundraising within the community and develop corporate partnerships across Yorkshire and Humber. In the last year, we did not use a third-party professional or commercial participator.

Due to the pandemic, CHSF has reduced the fundraising team slightly and moved premises, which has led to a new, and in some cases, a more productive way of working. We have also saved significantly on our costs. It is anticipated that this will lead to an increase in funds available to support beneficiaries.

In 2020, we focused heavily on digital fundraising and bid writing more than ever due to the lack of events on offer during the COVID pandemic. Our usual proposal of events was removed from our offer, which meant we were forced to make the CHSF Events person role redundant.

This led to the team encouraging support online through Facebook giving and the JustGiving platform. In 2020 work halted on phase 2 of the database training and development on the team as we had to furlough senior team members to save on costs. However, we did manage to upskill the Corporate Relationship Manager in email campaigning, which led to previously unexplored Corporate support.

Looking ahead to 2021, we will create a superuser within the team, and we will resurrect the CRM working group to fully embed the system, ensuring we use the database to its full potential. The finance team has made good progress in adapting old finance processes to fit our new way of working, helping on the reporting side. Due to Marketing upskilling on the database functions, we have been able to focus on internal CHSF marketing campaigns, which in turn has raised additional funds by segmenting data. Fundraising activity carried out on behalf of CHSF is closely monitored by the Fundraising Manager and CEO. CHSF also have a longstanding Marketing and Fundraising committee chaired by two Trustees, who provide support and good governance to ensure adherence to the Fundraising Code of conduct, and feedback on information when required.

The team offers a wide range of advice and support to ensure compliance, as well as delivering an excellent supporter experience. We have adapted how we communicate to the needs of our supporters.

#### **GDPR**

CHSF continues to comply with the new General Data Protection Regulation (May 2018). We provided tailored staff guidance and training. We are committed to protecting personal information and being transparent about what we do with it.

### **Investment policy and performance**

The investment manager regularly meets the Trustees to assess portfolio performance, risk management, future market expectations and the long-term investment strategy. The investment portfolio was valued at £620,043, with income received in the period £8,544.

Funding for the hybrid theatre had a significant impact on investments. In response to this, an exercise was carried out to re-assess Charity's attitude to risk and the investment strategy was reviewed.

The Trustees are satisfied with the level of return achieved during the year. The estimated income yield is 1.6%, with actual income received 3.3%.

### **FINANCIAL REVIEW**

#### **Going Concern**

After making appropriate enquiries, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Great fear at the start of the COVID-19 pandemic led to a swift change in the way CHSF worked; we were deeply concerned that due to the government lockdown restrictions were to harm fundraising activity in 2020, we naturally assumed we would see a considerable dip in income from events (those run and supported by CHSF and those run by supporters) being our initial concern.

CHSF moved swiftly to assess the risk to its income and responded by changing its working practices, creating innovative digital fundraising activity, taking advantage of the government furlough scheme, negotiating discounts with suppliers, and negotiating a de-restriction of overdue funds generated by partnerships.

As a result of the measures taken, CHSF has been able to continue to support its beneficiaries without additional recourse to reserves. Support has been re-aligned to meet the needs of families facing different conditions in the Hospital, including additional financial support, care packs, and laundry facilities. Additional funds have also been committed to equipment for patients to use at home and reduce hospital visits.

Due to unknown longer-term impact of COVID-19, the Board and CEO reviewed the Charity's overall strategy in September 2020. The 2021 fundraising and marketing strategy was brought to the November board meeting, and was approved.

#### **Results for the year**

The attached financial statements show the results of the charity for the year ended 31 December 2020.

There was a net surplus for the year after investment gains and losses of £109,413.

Overall income was 16% above last year due to the receipt of a significant legacy, a covid-19 government support grant, and furlough income in 2020 which more than offset reductions in fundraising income arising from covid-19 restrictions.

Expenditure on salaries and general running costs has increased by 2% due to the costs associated with a move to new premises which will deliver a long-term cost reduction. Underlying costs were reduced by 1.2%..

The charity has spent £215,467 on supporting its beneficiaries after writing back £100,000 of grants awarded in the previous year but no longer needed due to changes arising from covid-19.

## Children's Heart Surgery Fund

### Report of the Trustees for the Year Ended 31 December 2020

#### **Reserves policy**

The Charity Commission uses the term 'reserves' to describe that part of a charity's freely available income funds.

'Reserves' are therefore the resources that Children's Heart Surgery Fund has or can make available to spend for any or all the charity's purposes once it has met its commitments and covered its other planned expenditure.

Children's Heart Surgery Fund is mindful of the need to safeguard the viability of its services to the community beyond the immediate future. We believe it to be good practice to provide for future uncertainties by putting aside, where possible, some of our current income as a reserve.

Responsibility for establishing an appropriate reserves policy lies with Children's Heart Surgery Fund Trustees who understand the business of the charity. Our Trustees have taken care to consider the needs of the business in setting a level of reserves that they believe to be appropriate.

Having considered all the factors, the Trustees amended the reserves policy in 2019 and agreed that Children's Heart Surgery Fund should aim to maintain reserves sufficient to cover six month's costs excluding costs of support to beneficiaries. This will provide sufficient reserves to respond to any significant change in the external environment.

In September 2020, as a prudent response to the potential impact of covid-19 restrictions, a temporary change to the reserves policy was made to increase covers to twelve months' costs excluding costs of beneficiary support. The temporary amendment is to be reviewed in April 2021.

The Charity will endeavour to ensure that the reserves remain within the agreed range through;

- o Creation of detailed budgets and plans to estimate likely cash inflows and outflows over a five-year horizon.
- o Careful monitoring of the reserves levels through the regular Finance Committee meetings and Trustee meetings.

At the end of 2019, readily available unrestricted reserves were £737k and represented 14 months' expenditure excluding costs of support to beneficiaries. A budget for 2020 and projections for the subsequent 4 years has been approved on the basis that compliance with the reserves policy will be achieved by the end of 2024.

In September 2020, as a prudent response to the potential impact of covid-19 restrictions, a temporary change to the reserves policy was made to increase covers to twelve months' costs excluding costs of beneficiary support. The temporary amendment is to be reviewed in April 2021.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Constitution**

The charity is registered as a charitable company limited by guarantee and constituted under the articles of association.

The registered charity number is 1148359.

### **Method of appointment or election of trustees**

The Board of Trustees appoints trustees. Trustees hold office for five years, after which period they may put themselves forward for reappointment. Appointment review dates are structured to ensure continuity of experience and to allow for succession planning.

### **Policies adopted for the induction and training of trustees**

New Trustees are recruited to ensure that collectively the Board maintains a broad range of varied backgrounds, skills, and experience. We endeavour to provide our beneficiaries' needs reflected by the Board's diversity in terms of the skills and interests represented.

Potential Trustees are briefed to ensure they understand Charity's objects, activities, strategy, and ethos.

### **Organisational structure and decision making**

The Trustees are required to meet twice as a minimum in every calendar year but meet at least five times a year to assess grant applications, review fundraising activity and evaluate ongoing projects and discuss any other matters that may arise.

Day-to-day management of the Charity is delegated to the Chief Executive.

An annual budget is prepared and approved by the Trustees at the beginning of each year, incorporating the projected costs of agreed commitments under the equipment, research, training, management, and family support headings.

An annual fundraising strategy is created by the fundraising and marketing manager, with input and oversight from the CEO.

### **Risk management**

The Trustees have assessed the significant risks to which the Charity is exposed, those related to the operations and finances of the Charity and are satisfied that systems and procedures are in place to mitigate our exposure to the significant risks.

## Children's Heart Surgery Fund

### Report of the Trustees for the Year Ended 31 December 2020

## **PLANS FOR THE FUTURE**

### **Future developments**

Overall, CHSF's 3-5 Year strategy continues to support the Leeds Congenital Heart Unit as a World Class centre of excellence by carrying on with the funding of equipment, education, and some staff posts, along with many other areas of support.

We will retain focus on the four key areas: **The Heart, the Mind, the Family, and the Future.**

Within the work on our new strategy, we undertook a consultation exercise that determined families of patients affected by congenital heart disease would welcome more direct support in holistic care, which includes signposting and practical support and direction.

On the back of this work, a programme of 'holistic support' for families was created. It is the intention for the new post of Family Services Manager to bridge the gap between the Hospital and the Charity. We are pleased to announce the family support work started in October 2020.

The holistic package will include Welcome packs for families, Complementary therapies & further Family Camps and the upkeep of CHSF family accommodation, and signposting to other services and the management of travel expenses for those families travelling a considerable distance.

## **PUBLIC BENEFIT**

The Trustees consider the objectives and achievements of the charity, as set out above, satisfy the requirements of the public benefit guidance published by the Charity Commission.

## **REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**  
08152970 (England and Wales)

**Registered Charly number**  
1148359

**Registered office**  
Suite D17  
Joseph's Well  
Hanover Walk  
Leeds  
LS3 1AB

**Trustees**  
P A Goodwin  
W M Haigh (appointed 16/1/2020)  
S L Matley  
S Maule  
J Oliver  
J Quirk  
S J Robinson  
C A M Van Doorn  
J J M Whitaker  
A C Chilton (resigned 6/1/2020)

## Children's Heart Surgery Fund

### Report of the Trustees for the Year Ended 31 December 2020

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

##### **Auditors**

Haines Watts  
Chartered Accountants &  
Statutory Auditors  
Sterling House  
1 Sheepscar Court  
Meanwood Road  
Leeds  
West Yorkshire  
LS7 2BB

##### **Chief executive officer**

Sharon Milner

#### **TRUSTEES' RESPONSIBILITY STATEMENT**

The Trustees (who are also directors of The Children's Heart Surgery Fund for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **DISCLOSURE OF INFORMATION TO AUDITORS**

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

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

#### **AUDITORS**

The auditors, Haines Watts Leeds LLP, have indicated their willingness to continue in office. The Trustees will propose a motion re-appointing the auditors at a meeting of the Trustees.

In preparing this report, the Trustees have taken advantage of the small companies exemption provided by section 415A of the Companies Act 2006

Children's Heart Surgery Fund

Report of the Trustees  
for the Year Ended 31 December 2020

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 order of the board of trustees on 22 June 2021 and signed on its behalf by:

A handwritten signature in black ink, consisting of several overlapping loops and curves, positioned above the name 'W M Haigh - Trustee'.

W M Haigh - Trustee

## **Opinion**

We have audited the financial statements of Children's Heart Surgery Fund (the 'charitable company') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Conclusions relating to going concern**

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

However, not all future events or conditions can be predicted. The COVID-19 viral pandemic is one of the most significant economic events for the UK with unprecedented levels of uncertainty of outcomes. It is therefore difficult to evaluate all of the potential implications on the charitable company's activities, customers, suppliers and wider economy. The Trustees' view on the impact of COVID-19 is disclosed on page 5 within the trustees report and within the accounting policies.

## **Other information**

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

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

### **Responsibilities of trustees**

As explained more fully in the Trustees' Responsibilities Statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

### **Our responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charitable company through discussions with trustees and other management; and from our commercial knowledge and experience of the charity sector
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including the Charities Act, Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit

Report of the Independent Auditors to the Members of  
Children's Heart Surgery Fund

We assessed the susceptibility of the charitable company's financial statements to misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- understanding the design of the charitable company's remuneration policies.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosure to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and relevant regulators.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

#### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Haines Watts*

James Sutton BA (Hons) FCA (Senior Statutory Auditor)  
for and on behalf of Haines Watts  
Chartered Accountants &  
Statutory Auditors  
Sterling House  
1 Sheepscar Court  
Meanwood Road  
Leeds  
West Yorkshire  
LS7 2BB

27 July 2021

Children's Heart Surgery Fund

Statement of Financial Activities  
for the Year Ended 31 December 2020

	Notes	Unrestricted fund £	Restricted funds £	2020 Total funds £	2019 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	4	627,809	151,626	779,435	656,582
Other trading activities	5	127,058	-	127,058	110,079
Investment income	6	9,561	-	9,561	21,213
Other income		-	-	-	326
<b>Total</b>		<b>764,428</b>	<b>151,626</b>	<b>916,054</b>	<b>788,200</b>
<b>EXPENDITURE ON</b>					
<b>Raising funds</b>					
Fundraising costs	7	326,518	-	326,518	349,234
Investment management costs	8	5,283	-	5,283	5,924
		331,801	-	331,801	355,158
<b>Charitable activities</b>					
	9				
Governance cost		3,082	-	3,082	3,483
Other charitable activities		271,355	136,779	408,134	447,817
Family support services		57,949	18,967	76,916	125,065
<b>Total</b>		<b>664,187</b>	<b>155,746</b>	<b>819,933</b>	<b>931,523</b>
Net gains on investments		13,503	-	13,503	70,535
<b>NET INCOME/(EXPENDITURE)</b>		<b>113,744</b>	<b>(4,120)</b>	<b>109,624</b>	<b>(72,788)</b>
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		804,179	13,967	818,146	890,934
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>917,923</b>	<b>9,847</b>	<b>927,770</b>	<b>818,146</b>

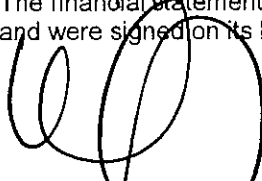
Children's Heart Surgery Fund


Balance Sheet  
31 December 2020

	Notes	Unrestricted fund £	Restricted funds £	2020 Total funds £	2019 Total funds £
<b>FIXED ASSETS</b>					
Intangible assets	15	256	-	256	301
Tangible assets	16	29,026	-	29,026	66,813
Investments	17	620,043	1	620,044	610,465
		<u>649,325</u>	<u>1</u>	<u>649,326</u>	<u>677,579</u>
<b>CURRENT ASSETS</b>					
Stocks	18	12,361	-	12,361	14,121
Debtors	19	6,589	9,847	16,436	21,277
Cash at bank and in hand		445,903	-	445,903	316,456
		<u>464,853</u>	<u>9,847</u>	<u>474,700</u>	<u>351,854</u>
<b>CREDITORS</b>					
Amounts falling due within one year	20	(196,256)	-	(196,256)	(211,287)
		<u>268,597</u>	<u>9,847</u>	<u>278,444</u>	<u>140,567</u>
<b>NET CURRENT ASSETS</b>					
		<u>917,922</u>	<u>9,848</u>	<u>927,770</u>	<u>818,146</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
		<u>917,922</u>	<u>9,848</u>	<u>927,770</u>	<u>818,146</u>
<b>NET ASSETS</b>					
		<u>917,922</u>	<u>9,848</u>	<u>927,770</u>	<u>818,146</u>
<b>FUNDS</b>					
	22			917,922	804,179
Unrestricted funds				9,848	13,967
Restricted funds				<u>927,770</u>	<u>818,146</u>
<b>TOTAL FUNDS</b>					

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

The financial statements were approved by the Board of Trustees and authorised for issue on 22 June 2021 and were signed on its behalf by:

  
W M Haigh - Trustee

  
P A Goodwin - Trustee

Children's Heart Surgery Fund

Cash Flow Statement  
for the Year Ended 31 December 2020

	Notes	2020 £	2019 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	130,735	(1,324,794)
Net cash provided by/(used in) operating activities		<u>130,735</u>	<u>(1,324,794)</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(6,230)	(23,805)
Purchase of fixed asset investments		(322,731)	(2,545)
Sale of tangible fixed assets		(73)	-
Sale of fixed asset investments		326,729	9,289
Withdrawal of investments		-	1,253,759
Interest received		1,017	-
Net cash (used in)/provided by investing activities		<u>(1,288)</u>	<u>1,236,698</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<u>129,447</u>	<u>(88,096)</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>316,456</u>	<u>404,552</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u><u>445,903</u></u>	<u><u>316,456</u></u>

The notes form part of these financial statements

Children's Heart Surgery Fund

Notes to the Cash Flow Statement  
for the Year Ended 31 December 2020

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

	2020 £	2019 £
<b>Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)</b>	109,624	(72,788)
<b>Adjustments for:</b>		
Depreciation charges	25,610	21,713
Gain on investments	(13,503)	(70,535)
Loss on disposal of fixed assets	18,451	-
Interest received	(1,017)	-
Decrease/(increase) in stocks	1,760	(14,121)
Decrease in debtors	4,841	13,281
Decrease in creditors	(15,031)	(1,202,344)
<b>Net cash provided by/(used in) operations</b>	<u>130,735</u>	<u>(1,324,794)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/1/20 £	Cash flow £	At 31/12/20 £
<b>Net cash</b>			
Cash at bank and in hand	316,456	129,447	445,903
	<u>316,456</u>	<u>129,447</u>	<u>445,903</u>
<b>Total</b>	<u>316,456</u>	<u>129,447</u>	<u>445,903</u>

## Children's Heart Surgery Fund

### Notes to the Financial Statements for the Year Ended 31 December 2020

#### 1. GENERAL INFORMATION

Children's Heart Surgery Fund is a charity incorporated in England and Wales at Suite D17, Joseph's Well, Hanover Walk, Leeds, LS3 1AB under company registered number 08152970 and charity registered number 1148359.

#### 2. ACCOUNTING POLICIES

##### **Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

Children's Heart Surgery Fund 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.

##### **Company status**

The company is a company limited by guarantee. The members of the company are the Trustees named on page 8. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

##### **Going concern**

The financial statements have been prepared on a going concern basis. The Trustees have reviewed and considered relevant information, including the annual budget and future cash flows in making their assessment. In particular, in response to the COVID-19 pandemic, the Trustees have tested their cash flow analysis to take into account the impact on their business of possible scenarios brought on by the impact of COVID-19, alongside the measures that they can take to mitigate the impact. Based on these assessments, given the measures that could be undertaken to mitigate the current adverse conditions, and the current resources available, the Trustees have concluded that they can continue to adopt the going concern basis in preparing the annual report and accounts.

##### **Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, 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 company is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that 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 company has been notified of the executor's intention to make a distribution. Where legacies have been notified to the company, or the company is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated services or facilities are recognised when the company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the company of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the volunteers is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the company which is the amount the company would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

**2. ACCOUNTING POLICIES - continued**

**Income**

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

**Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Leeds General Infirmary. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the company's educational operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

**Intangible fixed assets**

Intangible assets are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment. Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset, less their estimated residual value, over their expected useful lives on the following bases:

Katie Bear trademark	- 10% straight line
Trademarks	- 10% straight line

**Tangible fixed assets**

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the statement of financial activities incorporating income and expenditure account.

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

## **2. ACCOUNTING POLICIES - continued**

### **Tangible fixed assets**

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the statement of financial activities incorporating income and expenditure account.

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

Motor vehicles	- 20% straight line
Fixtures and fittings	- 25% straight line
Equipment	- 25% straight line

### **Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

### **Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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

### **Pension costs and other post-retirement benefits**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

### **Debtors**

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

### **Cash at Bank and in hand**

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

## 2. ACCOUNTING POLICIES - continued

### **Liabilities and provisions**

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

### **Investments**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the statement of financial activities incorporating income and expenditure account.

### **Functional and presentation currency**

The company's functional and presentational currency is GBP (£).

### **Taxation**

The company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

### **Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the Bank.

### **Operating leases**

Rentals under operating leases are charged to the statement of financial activities incorporating income and expenditure account on a straight line basis over the lease term.

## 3. JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND ESTIMATION UNCERTAINTY

Preparation of the financial statements requires management to make significant judgments and estimates. The items in the financial statements where these key judgments and estimates have been made include the depreciation of fixed assets, the provisions for costs included within accruals and deferred income and the allocation of donations and costs.

Children's Heart Surgery Fund

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2020

**4. DONATIONS AND LEGACIES**

	2020	2019
	£	£
Donations	482,840	589,105
Gift aid	28,200	37,134
Legacies	162,000	115
Grants	106,395	30,228
	<u>779,435</u>	<u>656,582</u>

**5. OTHER TRADING ACTIVITIES**

	2020	2019
	£	£
Fundraising events	79,863	104,396
Other income	4,194	5,683
Government grant income	10,000	-
Furlough income	33,001	-
	<u>127,058</u>	<u>110,079</u>

**6. INVESTMENT INCOME**

	2020	2019
	£	£
Income from listed investments	8,544	21,213
Deposit account interest	1,017	-
	<u>9,561</u>	<u>21,213</u>

**7. FUNDRAISING COSTS**

	2020	2019
	£	£
Staff costs	232,056	260,835
Fundraising appeal and event costs	43,692	50,766
Media and communication costs	27,418	37,633
General fundraising costs	23,352	-
	<u>326,518</u>	<u>349,234</u>

**8. INVESTMENT MANAGEMENT COSTS**

	2020	2019
	£	£
Investment management	<u>5,283</u>	<u>5,924</u>

**9. CHARITABLE ACTIVITIES COSTS**

	Direct Costs £	Grant funding of activities (see note 10) £	Support costs (see note 11) £	Totals £
Governance cost	-	-	3,082	3,082
Other charitable activities	-	138,551	269,583	408,134
Family support services	70,322	-	6,594	76,916
	<u>70,322</u>	<u>138,551</u>	<u>279,259</u>	<u>488,132</u>

**10. GRANTS PAYABLE**

	2020 £	2019 £
Other charitable activities	<u>138,551</u>	<u>169,714</u>

The total grants paid to institutions during the year was as follows:

	2020 £	2019 £
Equipment grants	157,027	111,400
Course attendance/ training grants	19,246	7,121
Other grants	(56,002)	32,984
	<u>120,271</u>	<u>151,505</u>

The total grants paid to individuals during the year was as follows:

	2020 £	2019 £
Family support	<u>18,280</u>	<u>18,209</u>

The amount included within Other grants is a negative figure as £100,000 of grant amounts awarded in the prior year were written back to the charity, as the funds were no longer required due changes arising from COVID-19.

Children's Heart Surgery Fund

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2020

11. SUPPORT COSTS

	Management £	Finance £	Governance costs £	Totals £
Governance cost	-	-	3,082	3,082
Other charitable activities	251,132	18,451	-	269,583
Family support services	6,594	-	-	6,594
	<u>257,726</u>	<u>18,451</u>	<u>3,082</u>	<u>279,259</u>

Support costs, included in the above, are as follows:

			2020	2019
	Governance cost £	Other charitable activities £	Total activities £	Total activities £
Wages	-	102,256	108,317	116,163
Social security	-	8,329	8,862	10,063
Pensions	-	25,750	25,750	23,684
Other expenses	-	89,187	89,187	106,480
Amortisation of intangible fixed assets	-	44	44	44
Depreciation of tangible assets	-	25,566	25,566	21,669
Loss on sale of fixed assets	-	18,451	18,451	-
Trustees' expenses	582	-	582	983
Auditors' remuneration	2,500	-	2,500	2,500
	<u>3,082</u>	<u>269,583</u>	<u>279,259</u>	<u>281,586</u>

12. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2020 £	2019 £
Auditors' remuneration	2,500	2,500
Depreciation - owned assets	25,639	21,670
Deficit on disposal of fixed assets	18,451	-
CHSF Trademark amortisation	22	22
Katie Bear trademark amortisation	23	22
	<u>56,645</u>	<u>47,114</u>

**13. TRUSTEES' REMUNERATION AND BENEFITS**

	2020 £	2019 £
Governance - Trustees expenses reimbursed	124	617
Trustees professional indemnity	458	366
	<u>582</u>	<u>983</u>

**14. STAFF COSTS**

	2020 £	2019 £
Wages and salaries	301,279	338,429
Social security costs	23,061	27,481
Other pension costs	50,645	44,835
	<u>374,985</u>	<u>410,745</u>

The average monthly number of employees during the year was as follows:

	2020	2019
Total	<u>13</u>	<u>14</u>

Average headcount expressed as a full time equivalent

	2020	2019
Administration	3	4
Fundraising & Marketing	7	8
	<u>10</u>	<u>12</u>

No employees received emoluments in excess of £60,000.

**15. INTANGIBLE FIXED ASSETS**

	CHSF Trademark £	Katie Bear trademark £	Totals £
<b>COST</b>			
At 1 January 2020 and 31 December 2020	<u>220</u>	<u>220</u>	<u>440</u>
<b>AMORTISATION</b>			
At 1 January 2020	70	69	139
Charge for year	<u>22</u>	<u>23</u>	<u>45</u>
At 31 December 2020	<u>92</u>	<u>92</u>	<u>184</u>
<b>NET BOOK VALUE</b>			
At 31 December 2020	<u>128</u>	<u>128</u>	<u>256</u>
At 31 December 2019	<u>150</u>	<u>151</u>	<u>301</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2020

**16. TANGIBLE FIXED ASSETS**

	Fixtures and fittings £	Equipment £	Totals £
<b>COST</b>			
At 1 January 2020	48,736	69,798	118,534
Additions	775	5,455	6,230
Disposals	(46,139)	(7,870)	(54,009)
At 31 December 2020	<u>3,372</u>	<u>67,383</u>	<u>70,755</u>
<b>DEPRECIATION</b>			
At 1 January 2020	20,443	31,278	51,721
Charge for year	11,882	13,757	25,639
Eliminated on disposal	(30,132)	(5,499)	(35,631)
At 31 December 2020	<u>2,193</u>	<u>39,536</u>	<u>41,729</u>
<b>NET BOOK VALUE</b>			
At 31 December 2020	<u>1,179</u>	<u>27,847</u>	<u>29,026</u>
At 31 December 2019	<u>28,293</u>	<u>38,520</u>	<u>66,813</u>

**17. FIXED ASSET INVESTMENTS**

	2020 £	2019 £
Shares	585,625	570,006
Other Investments	34,419	40,459
	<u>620,044</u>	<u>610,465</u>

Additional information as follows:

	Listed investments £
<b>MARKET VALUE</b>	
At 1 January 2020	570,006
Additions	163,185
Disposals	(163,544)
Revaluations	15,978
At 31 December 2020	<u>585,625</u>
<b>NET BOOK VALUE</b>	
At 31 December 2020	<u>585,625</u>
At 31 December 2019	<u>570,006</u>

There were investment assets outside the UK.  
Overseas Equities totalled to the amount of £171,076 (2019: £187,458).  
UK Equities totalled to the amount of £129,149 (2019: £105,394).  
Other investments totalled to the amount of £319,819 (2019: £317,615).

**17. FIXED ASSET INVESTMENTS - continued**

Investments (neither listed nor unlisted) were as follows:

	2020 £	2019 £
At 1 January 2019	40,459	1,167,002
Additions	(163,185)	656,002
Disposals	116,218	(414,222)
Revaluations	-	8,052
Cash at bank movements	(4,031)	(1,255,080)
Transfers	44,958	(121,295)
	<u>34,419</u>	<u>40,459</u>

**18. STOCKS**

	2020 £	2019 £
Stocks	<u>12,361</u>	<u>14,121</u>

**19. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2020 £	2019 £
Prepayments and accrued income	16,438	21,277
	<u>16,438</u>	<u>21,277</u>

**20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2020 £	2019 £
Other creditors	176,104	195,858
Accruals and deferred income	20,152	15,429
	<u>196,256</u>	<u>211,287</u>

**21. LEASING AGREEMENTS**

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

	2020 £	2019 £
Within one year	20,983	19,867
Between one and five years	34,831	50,740
In more than five years	-	30,000
	<u>55,814</u>	<u>100,607</u>

Children's Heart Surgery Fund

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2020

22. MOVEMENT IN FUNDS

	At 1/1/20 £	Net movement in funds £	At 31/12/20 £
<b>Unrestricted funds</b>			
General fund	804,179	113,743	917,922
<b>Restricted funds</b>			
INR kits	67	5,817	5,884
Kardia mobile devices	100	(100)	-
Welcome packs	2,700	(1,078)	1,622
Equipment for teenagers	1,000	(1,000)	-
Tesco vouchers for cardiac patients	100	(100)	-
Baby MRI pod	10,000	(10,000)	-
Katie bears	-	500	500
Book case and books	-	589	589
Wellbeing sessions for families	-	647	647
Family support worker	-	606	606
	<u>13,967</u>	<u>(4,119)</u>	<u>9,848</u>
<b>TOTAL FUNDS</b>	<u>818,146</u>	<u>109,624</u>	<u>927,770</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	764,428	(664,188)	13,503	113,743
<b>Restricted funds</b>				
INR kits	17,777	(11,960)	-	5,817
Kardia mobile devices	2,985	(3,085)	-	(100)
Welcome packs	500	(1,578)	-	(1,078)
Baby leo incubator	5,000	(5,000)	-	-
Equipment for teenagers	-	(1,000)	-	(1,000)
Tesco vouchers for cardiac patients	-	(100)	-	(100)
Baby MRI pod	94,873	(104,873)	-	(10,000)
Katie bears	500	-	-	500
Fish tank, bears, stickers	600	(600)	-	-
Book case and books	589	-	-	589
Vein finder	992	(992)	-	-
Heart animations	7,590	(7,590)	-	-
Wellbeing sessions for families	13,020	(12,373)	-	647
Family support worker	7,200	(6,594)	-	606
	<u>151,626</u>	<u>(155,745)</u>	<u>-</u>	<u>(4,119)</u>
<b>TOTAL FUNDS</b>	<u>916,054</u>	<u>(819,933)</u>	<u>13,503</u>	<u>109,624</u>

Children's Heart Surgery Fund

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2020

22. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/1/19 £	Net movement in funds £	At 31/12/19 £
<b>Unrestricted funds</b>			
General fund	874,435	(70,256)	804,179
<b>Restricted funds</b>			
INR kits	8,900	(8,833)	67
Kardia mobile devices	-	100	100
Welcome packs	-	2,700	2,700
Equipment for teenagers	-	1,000	1,000
Tesco vouchers for cardiac patients	-	100	100
3D printer	5,980	(5,980)	-
Baby MRI pod	-	10,000	10,000
Equipment	1,619	(1,619)	-
	<u>16,499</u>	<u>(2,532)</u>	<u>13,967</u>
<b>TOTAL FUNDS</b>	<u>890,934</u>	<u>(72,788)</u>	<u>818,146</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	696,610	(837,401)	70,535	(70,256)
<b>Restricted funds</b>				
INR kits	3,127	(11,960)	-	(8,833)
Kardia mobile devices	6,100	(6,000)	-	100
Welcome packs	2,700	-	-	2,700
Veinviewer	4,605	(4,605)	-	-
TV's	1,000	(1,000)	-	-
Baby leo incubator	6,000	(6,000)	-	-
Donations towards over the wall camp	1,000	(1,000)	-	-
Family camp	1,000	(1,000)	-	-
Equipment for teenagers	1,000	-	-	1,000
Tesco vouchers for cardiac patients	100	-	-	100
Second treatment room	20	(20)	-	-
3D printer	-	(5,980)	-	(5,980)
Baby MRI pod	10,000	-	-	10,000
Christmas campaign	100	(100)	-	-
Parallel Simulator	9,628	(9,628)	-	-
Equipment	45,210	(46,829)	-	(1,619)
	<u>91,590</u>	<u>(94,122)</u>	<u>-</u>	<u>(2,532)</u>
<b>TOTAL FUNDS</b>	<u>788,200</u>	<u>(931,523)</u>	<u>70,535</u>	<u>(72,788)</u>

**23. RELATED PARTY DISCLOSURES**

The charity is under the control of the Trustees as set out on page 8 of the Trustees' Annual Report.

Included within salary costs is an amount of £165,159 (2019: £171,027) which was paid to key management as remuneration.

There were no other transactions with any related parties during the current year.