

FREEMAN HEART & LUNG TRANSPLANT ASSOC
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2021

FREEMAN HEART & LUNG TRANSPLANT ASSOC

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	M Saunders D Airey L McLellan P Hartley D Burdon J Comb A Lambert A Todd P Woodward S Haddon
Charity number	1157894
Principal address	8 Harebell Meadows Newton Aycliffe County Durham England DL5 4UG
Independent examiner	Robson Laidler Accountants Limited Fernwood House Fernwood Road Jesmond Newcastle Upon Tyne Tyne and Wear England NE2 1TJ

FREEMAN HEART & LUNG TRANSPLANT ASSOC

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FREEMAN HEART & LUNG TRANSPLANT ASSOC

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 OCTOBER 2021

The trustees present their report and financial statements for the year ended 31 October 2021.

The Freeman Heart & Lung Transplant Association is a registered charity (registration number 1157894) and is also registered as a Charitable Incorporated Organisation (CIO).

Objectives and activities

The objectives of the CIO are:

1. The preservation and protection of good health and the relief of sickness of heart and lung transplant patients and former heart and lung transplant patients of the Freeman Hospital, Newcastle upon Tyne, who are sick and convalescing by:
 - (a) Providing advice and support, either general or specific, in any matter relating to transplantation.
 - (b) Providing specific financial assistance, if needed, but only for the purchase of medical equipment to improve the patient's conditions of life and where possible medical research to develop processes and procedures to improve quality of life of heart and lung transplant patients.
 - (c) Providing and assisting, where possible, in the provision of amenities in the Freeman Hospital, including equipment and to the furtherance of education in staff for the benefit of heart and lung transplant patients.
2. To advance the education of the public in the needs of transplant patients and to mobilise, encourage, foster and maintain the interest and support of the public in transplant hospitals.
3. The preservation and protection of good health and the relief of sickness by promoting by any lawful charitable means the need for organ donation and the importance of the donor register.

Public benefit

The FHLTA have referred to the Charity Commission's guidance on public benefit when reviewing our aims and objectives and planning future activities.

Achievements and performance

Charitable activities

In the year 2020 – 2021 the Board focused on:

1. Funding of 6 Paragonix donor heart preservation and transport devices.
2. Revamp and maintenance of the FHLTA Mobile Home/Static caravan sighted at Whitley Bay Holiday Park – including carpet and upholstery cleaning and Covid clean throughout.
3. Support, including financial of Freeman Heart & Lung Transplant patients/families as required.
4. Grant received for specific purpose of mobile devices – 25 HD Fire tablets with screen protectors and cases purchased for use of patients on children and adult Heart and Lung Transplant wards to prevent isolation from family and friends.
5. Introduction of unlimited WiFi for flats and FHLTA Mobile Home/Static caravan purchased with funds raised specific for this purpose.
6. Mental health self help books purchased with funds donated to support mental health and raise awareness.
7. Further roll out of FHLTA Bags with Love project to support patients on wards at Freeman Hospital awaiting, or who have recently received a heart and/or lung transplant.
8. Introduction of new finance database – Xero
9. Meetings continued remotely via zoom to enable functioning of the FHLTA.
10. Virtual events held to help raise funds (e.g. raffles)
11. Attendance at events (virtually or in person) and a FHLTA Trustee present where possible to raise importance the of organ donation and raise the profile of the FHLTA.
12. Enhancing the communications of the FHLTA with all agencies including the public and patients via electronic means, email, website and social media platforms.
13. Introduction of additional merchandise with the FHLTA logo to promote awareness of the FHLTA.
14. FHLTA Christmas cards produced, created by winners of the competition.

FREEMAN HEART & LUNG TRANSPLANT ASSOC

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

Financial review

At the end of this financial year the FHLTA's accounts reported an income of £92,467 against an expenditure of £35,805. This resulted in a total surplus of £56,662 (2020: £45,402).

The Coronavirus pandemic has continued to have a significant impact of the FHLTA's ability to attend events and fundraise in the usual ways. This has again had an impact on expenditure in relation to large events that the FHLTA would financially support – e.g. medical conferences, sports events and Christmas events.

Taking all of this into consideration the FHLTA remains stable financially and is hoping to this year be able to reengage in some of the events we have been unable to support over the last 12 months due to restrictions being in place. Even though total income has been significantly lowered this financial year this is also reflected in total expenditure which is considerably under budget.

Reserves

The FHLTA had reserved funds of £40,000 during this financial year, which is reviewed by the Trustees annually, to act as a buffer to cover:

- (1) Contingency: unexpected expenditure in the event of an emergency;
- (2) Cash-flow: situations where a bill must be paid before the money to cover it has been received;
- (3) Commitment: a commitment to expenditure which cannot be covered by the annual income;
- (4) Closure: the charity becomes financially unsustainable and has to be wound up.

Going concern

The Trustees have performed an assessment of the Charity's ability to continue as a going concern, by reference to forecasts and working capital requirements for a period of 12 months from the date of approval of these financial statements. The Trustees are satisfied that the going concern basis of preparation for these financial statements is appropriate.

Risks

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. The Charity's principal financial instruments comprise cash and cash equivalents. Other financial assets and liabilities, such as trade creditors and trade debtors, arise directly from the Charity's operating activities.

The main risks associated with the Charity's financial assets and liabilities are set out below. The Charity does not undertake any hedging activity and any significant financial risks are addressed on a case-by-case basis.

Interest rate risk

The Charity invests surplus cash in floating rate interest yielding bank accounts, therefore financial assets, interest income and cash flows can be affected by movements in interest rates. However, the Trustees do not consider there to be any significant exposure. The Charity has no bank borrowings.

Price risk

There is no significant exposure to changes in the carrying value of financial liabilities.

Credit risk

The Charity's policy is aimed at minimising such losses. Individual exposures and overdue debts are monitored with customers to ensure that the Charity's exposure to bad debts is not significant.

Liquidity risk

The Charity aims to mitigate liquidity risk by managing cash generated by its operations. Flexibility is maintained by retaining surplus cash in readily accessible bank deposit accounts. Limits on spending authority are in place.

FREEMAN HEART & LUNG TRANSPLANT ASSOC

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

Foreign currency risk

There are minimal transactions in foreign currency. As a result, no hedging activity is undertaken to mitigate this risk.

Investment policy

The Charity ensures that any investment strategy it adopts does not put at adverse risk any of the assets it is responsible for.

Funds are placed on deposit at the highest possible interest rates, consistent with cash flow requirements.

FUTURE PLANS

The FHLTA aims to continually meet the objectives set out in its governing document.

The FHLTA Trustees will regularly review the finances, budget and spends against budget together with a monthly Treasurers report and access to account records.

The FHLTA's future plans are to be financed primarily from the general funds, incoming donations and the fundraising efforts of our Trustees, members, volunteers and supporters.

Budget going forward:

Designated funds for medical research/staff:	£ 80,000.00
Designated funds for FHLTA bags with love:	£ 5,000.00
Designated funds for Mental Health:	£ 5,000.00
Designated funds for medical conference:	£ 8,000.00
TOTAL for designated funds:	£ 98,000.00

Restricted funds:

Funds for the purpose of that specified by the person(s) donating or raising the funds. These funds will be recorded separately.

Reserved funds (financial buffer)	£40,000.00
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Structure, governance and management

Governing document

The charity is controlled by its governing document, a deed of trust and constitutes an unincorporated charity.

The trustees who served during the year and up to the date of signature of the financial statements were:

M Saunders
D Airey
L McLellan
P Hartley
D Burdon
J Comb
A Lambert
A Todd
P Woodward
S Haddon

FREEMAN HEART & LUNG TRANSPLANT ASSOC

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

Recruitment and appointment of new trustees

From time to time it is necessary for the Charity to recruit new Trustees to replace those that have either resigned during their term of office, or by way of anticipating planned retirements after the completion of a single term of three years.

When a vacancy occurs, the Board will determine the mix of skills and experience needed so as to ensure a fully functioning team of Trustees and will seek to identify individuals who appear to have the qualities and interest in what we do. After fair assessment by a panel of the Board, a proposed applicant is recommended for appointment.

The trustees' report was approved by the Board of Trustees.


.....
J Comb

Trustee

Dated: 11.3.22


.....
A Lambert

Trustee

Dated: 9/3/22

FREEMAN HEART & LUNG TRANSPLANT ASSOC

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF FREEMAN HEART & LUNG TRANSPLANT ASSOC

I report to the trustees on my examination of the financial statements of Freeman Heart & Lung Transplant Assoc (the charity) for the year ended 31 October 2021.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

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

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

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



Robson Laidler Accountants Limited

Fernwood House
Fernwood Road
Jesmond
Newcastle Upon Tyne
Tyne and Wear
NE2 1TJ
England

Dated: 14.2.2022

FREEMAN HEART & LUNG TRANSPLANT ASSOC

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 OCTOBER 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £
<u>Income from:</u>					
Donations and legacies	2	69,342	8,621	77,963	82,712
Charitable activities	3	8,459	-	8,459	5,416
Other trading activities	4	2,073	-	2,073	-
Investments	5	3,972	-	3,972	8,259
Total income		83,846	8,621	92,467	96,387
<u>Expenditure on:</u>					
Raising funds	6	1,150	-	1,150	-
Charitable activities	7	30,641	4,014	34,655	50,985
Total resources expended		31,791	4,014	35,805	50,985
Net income for the year/ Net movement in funds		52,055	4,607	56,662	45,402
Fund balances at 1 November 2020		323,170	-	323,170	277,768
Fund balances at 31 October 2021		375,225	4,607	379,832	323,170

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

All income and expenditure derive from continuing activities.

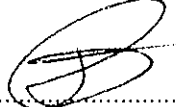
FREEMAN HEART & LUNG TRANSPLANT ASSOC


BALANCE SHEET

AS AT 31 OCTOBER 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	12		25,008		15,186
Current assets					
Debtors	13	85		783	
Cash at bank and in hand		355,963		308,641	
		<u>356,048</u>		<u>309,424</u>	
Creditors: amounts falling due within one year	14	<u>(1,224)</u>		<u>(1,440)</u>	
Net current assets			354,824		307,984
Total assets less current liabilities			<u>379,832</u>		<u>323,170</u>
Income funds					
Restricted funds	15		4,607		-
<u>Unrestricted funds</u>					
Designated funds	16	98,000		40,000	
General unrestricted funds		<u>277,225</u>		<u>283,170</u>	
			375,225		323,170
			<u>379,832</u>		<u>323,170</u>

The financial statements were approved by the Trustees on


 J Comb
 Trustee


 A Lambert
 Trustee

FREEMAN HEART & LUNG TRANSPLANT ASSOC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2021

1 Accounting policies

Charity information

Freeman Heart & Lung Transplant Association is a Charitable Incorporated Organisation (charity number: 1157894) registered in England and Wales. The registered office and other statutory information is shown on the contents page.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 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.

1.3 Charitable funds

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

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

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 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.

1.5 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.

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.

FREEMAN HEART & LUNG TRANSPLANT ASSOC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	Straight line over 10 years
-----------------------	-----------------------------

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Cash and cash equivalents

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

1.8 Taxation

The charity is exempt from tax on its charitable activities.

2 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds
	2021	2021	2021	2020
	£	£	£	£
Donations and gifts	69,342	8,621	77,963	82,712

3 Charitable activities

	Charitable Income 2021 £	Charitable Income 2020 £
Income from services	8,459	5,416

FREEMAN HEART & LUNG TRANSPLANT ASSOC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

4 Other trading activities

	Unrestricted funds	Total
	2021	2020
	£	£
Fundraising events	2,073	-
	<u>2,073</u>	<u>-</u>

5 Investments

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Rental income	2,940	4,235
Interest receivable	1,032	4,024
	<u>3,972</u>	<u>8,259</u>

6 Raising funds

	Unrestricted funds	Total
	2021	2020
	£	£
<u>Fundraising and publicity</u>		
Staging fundraising events	1,150	-
	<u>1,150</u>	<u>-</u>

FREEMAN HEART & LUNG TRANSPLANT ASSOC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

7 Charitable activities

	Charitable Expenditure 2021 £	Charitable Expenditure 2020 £
Depreciation and impairment	5,178	3,678
Insurance	734	1,099
Telephone	4,354	2,918
Computer software & website	504	504
Just giving	468	561
Games and special events	9,215	10,894
Motor and travel	1,986	8,655
Hospital purchases	5,155	600
Caravan site costs	3,338	4,568
	<u>30,932</u>	<u>33,477</u>
Grant funding of activities (see note 8)	-	12,000
Share of support costs (see note 9)	2,199	3,108
Share of governance costs (see note 9)	1,524	2,400
	<u>34,655</u>	<u>50,985</u>
Analysis by fund		
Unrestricted funds	30,641	50,985
Restricted funds	4,014	-
	<u>34,655</u>	<u>50,985</u>

8 Grants payable

	2021 £	2020 £
Grants to institutions:		
University of Newcastle	-	12,000
	<u>-</u>	<u>12,000</u>

FREEMAN HEART & LUNG TRANSPLANT ASSOC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2021

9 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Sundries	1,259	-	1,259	2,359	-	2,359
Postage and stationery	940	-	940	749	-	749
Legal and professional	-	300	300	-	960	960
Independent examiner's	-	1,224	1,224	-	1,440	1,440
	<u>2,199</u>	<u>1,524</u>	<u>3,723</u>	<u>3,108</u>	<u>2,400</u>	<u>5,508</u>
Analysed between						
Charitable activities	<u>2,199</u>	<u>1,524</u>	<u>3,723</u>	<u>3,108</u>	<u>2,400</u>	<u>5,508</u>

Governance costs includes payments to independent examiners of £1,224 (2020: £1,440) for independent examination fees.

10 Trustees

There were no trustees' remuneration or other benefits for the year ended 31 October 2021 nor for the year ended 31 October 2020.

Trustees' expenses

During the year 6 trustees were paid expenses for phone and travel costs totalling £9,628 (2020: 11 trustees paid £11,817).

11 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Total	<u>-</u>	<u>-</u>

FREEMAN HEART & LUNG TRANSPLANT ASSOC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

12 Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 November 2020	36,789
Additions	15,000
At 31 October 2021	51,789
Depreciation and impairment	
At 1 November 2020	21,603
Depreciation charged in the year	5,178
At 31 October 2021	26,781
Carrying amount	
At 31 October 2021	25,008
At 31 October 2020	15,186

13 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Prepayments and accrued income	85	783

14 Creditors: amounts falling due within one year

	2021 £	2020 £
Accruals and deferred income	1,224	1,440

FREEMAN HEART & LUNG TRANSPLANT ASSOC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

15 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			
	Balance at 1 November 2020	Incoming resources	Resources expended	Balance at 31 October 2021
	£	£	£	£
Mental health	-	380	(373)	7
Flats	-	530	-	530
Mobile home mattress	-	200	(200)	-
Internet at mobile home	-	2,300	(41)	2,259
Tablets	-	5,211	(3,400)	1,811
	-	8,621	(4,014)	4,607

Mental health fund:

This fund represents donations received for mental health improvement

Flats fund:

This fund represents donations received for the upkeep of flats

Mattress fund:

This fund represents donations received for the provision of new mattresses

Internet fund:

This fund represents donations received for the set-up of Wi-Fi

Tablets fund

This fund represents donations received for the purchase of Fire tablets which are to be allocated to transplant wards

16 Designated funds

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

	Movement in funds			
	Balance at 1 November 2019	Incoming resources	Balance at 1 November 2020	Transfers
	£	£	£	£
Designated funds	40,000	-	40,000	58,000
	40,000	-	40,000	58,000

FREEMAN HEART & LUNG TRANSPLANT ASSOC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

17 Analysis of net assets between funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £
Fund balances at 31 October 2021 are represented by:				
Tangible assets	25,008	-	25,008	15,186
Current assets/(liabilities)	350,217	4,607	354,824	307,984
	<u>375,225</u>	<u>4,607</u>	<u>379,832</u>	<u>323,170</u>

18 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).