

Charity registration number 1157894

**FREEMAN HEART & LUNG TRANSPLANT ASSOCIATION
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022**

FREEMAN HEART & LUNG TRANSPLANT ASSOCIATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

M Saunders
D Airey
L McLellan
D Burdon
J Comb
A Lambert
P Woodward

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 ASSOCIATION

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FREEMAN HEART & LUNG TRANSPLANT ASSOCIATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 OCTOBER 2022

The trustees present their annual report and financial statements for the year ended 31 October 2022.

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.

FREEMAN HEART & LUNG TRANSPLANT ASSOCIATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2022

Achievements and performance

Charitable activities

In the year 2021 – 2022 the Board focused on:

1. Funding of £30,000 towards lung rejection research
2. Funding of £3,840 for fellow to continue research of lung rejection following transplant
3. Support available for £800 each for 10 medical staff to attend the ISHLT conference – 1 requested funding this year
4. Funding of a further £15,000 for Paragnox heart boxes pending – issues with customs delayed and will show next year
5. Purchase of a luxury static caravan £83,030 at Tattershall Lakes in Lincolnshire and set up, including insurances, safety checks, WiFi and deep clean (nuking) of hot tub
6. Maintenance of the 2 FHLTA static caravan sighted at Whitley Bay Holiday Park and Tattershall Lakes
7. Maintenance of the flats at cost of £864 on Freeman Hospital site – including pillows, cutlery, fans and replacement TVs. Not our responsibly to maintain though we support with equipment
8. Further roll out of FHLTA Bags with Love project at cost of £1,216 to support patients on wards at Freeman Hospital awaiting, or who have recently received a heart and/or lung transplant
9. Keyboards for 5 amazon fire tablets for use of families who have children on the ward to allow them to work easier from site
10. Patient support fund of £10,000 for transplant trusted to the transplant social workers to support adult and child patients and families (Freeman Heart & Lung transplant) – following the process of means testing beforehand
11. Patient support of £300 provided in the way of £10 and £20 Sainsbury's vouchers for support with essentials around emergency admissions or longer stays in hospital
12. Mental health support of £212 – purchase of craft and activity equipment for transplant psychology team for inpatients and outpatients (this has been well used already)
13. Movement back to fundraising events following Covid 19 pandemic – patients, families and supporters of the FHLTA has raised an amazing £65,944 in support of what we do. Thank you to everyone
14. BTG games went ahead this year and we supported patients to attend at a cost of £5,545 which is considerably less than previous years prior to the pandemic
15. Set up and design of fundraising packs - Introduction of fundraising packs to promote awareness of the FHLTA and what we do although this cost of £809 will not show until next year report

Financial review

We are in a stable financial position for a small charity and are positive about the accounts this year and how the charity is running. At the end of this financial year the FHLTA's accounts reported an income of £147,494 and an expenditure of £102,370.

The Coronavirus pandemic has had an impact on us in the first year, although through continued adjustment around the way the charity was managed and ran we were able to maintain a healthy financial position. This has led us into a stable financial position this last year.

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.

FREEMAN HEART & LUNG TRANSPLANT ASSOCIATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2022

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.

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 meet regularly throughout the year to review the accounts, budget and expenditure against budget. The Treasurer will provide a monthly report and access to live account records as required.

Budget going forward:

Designated funds for medical research/staff:	£ 60,000.00
Designated funds for FHLTA bags with love:	£ 3,000.00
Designated funds for Mental Health:	£ 3,000.00
Designated funds for medical conference:	£ 8,000.00
Designated funds for social worker transplant fund:	£ 12,000.00
TOTAL for designated funds:	£ 86,000.00

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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FREEMAN HEART & LUNG TRANSPLANT ASSOCIATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2022

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

(Resigned 31 October 2022)

D Burdon

J Comb

A Lambert

A Todd

(Resigned 31 October 2022)

P Woodward

S Haddon

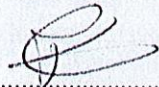
(Resigned 31 October 2022)

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: 2.2.2023



A Lambert

Trustee

Dated: 28.1.23

FREEMAN HEART & LUNG TRANSPLANT ASSOCIATION

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF FREEMAN HEART & LUNG TRANSPLANT ASSOCIATION

I report to the trustees on my examination of the financial statements of Freeman Heart & Lung Transplant Association (the charity) for the year ended 31 October 2022.

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.



Nick Cunningham FCCA
Robson Laidler Accountants Limited

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

Dated: 8-2-2023.....

FREEMAN HEART & LUNG TRANSPLANT ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 OCTOBER 2022

Current financial year

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
<u>Income from:</u>					
Donations and legacies	2	49,805	-	49,805	77,963
Charitable activities	3	25,605	-	25,605	8,459
Other trading activities	4	65,944	-	65,944	2,073
Investments	5	6,140	-	6,140	3,972
Total income		147,494	-	147,494	92,467
<u>Expenditure on:</u>					
Raising funds	6	3,774	-	3,774	1,150
Charitable activities	7	97,595	1,001	98,596	34,655
Total expenditure		101,369	1,001	102,370	35,805
Net income/(expenditure) for the year/ Net movement in funds		46,125	(1,001)	45,124	56,662
Fund balances at 1 November 2021		375,225	4,607	379,832	323,170
Fund balances at 31 October 2022		421,350	3,606	424,956	379,832

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 ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 OCTOBER 2022

Prior financial year

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
	Notes			
Income from:				
Donations and legacies	2	69,342	8,621	77,963
Charitable activities	3	8,459	-	8,459
Other trading activities	4	2,073	-	2,073
Investments	6	3,972	-	3,972
Total income		83,846	8,621	92,467
Expenditure on:				
Raising funds	6	1,150	-	1,150
Charitable activities	7	30,641	4,014	34,655
Total expenditure		31,791	4,014	35,805
Net income/(expenditure) for the year/ Net movement in funds		52,055	4,607	56,662
Fund balances at 1 November 2020		323,170	-	323,170
Fund balances at 31 October 2021		375,225	4,607	379,832

FREEMAN HEART & LUNG TRANSPLANT ASSOCIATION

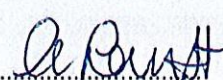
BALANCE SHEET

AS AT 31 OCTOBER 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	11		94,557		25,008
Current assets					
Debtors	12	2,531		85	
Cash at bank and in hand		329,770		355,963	
		<u>332,301</u>		<u>356,048</u>	
Creditors: amounts falling due within one year	13	<u>(1,902)</u>		<u>(1,224)</u>	
Net current assets			330,399		354,824
Total assets less current liabilities			<u>424,956</u>		<u>379,832</u>
Income funds					
Restricted funds	14		3,606		4,607
<u>Unrestricted funds</u>					
Designated funds	15	86,000		98,000	
General unrestricted funds		<u>335,350</u>		<u>277,225</u>	
			421,350		375,225
			<u>424,956</u>		<u>379,832</u>

The financial statements were approved by the Trustees on 8-2-2023


J Comb
Trustee


A Lambert
Trustee

FREEMAN HEART & LUNG TRANSPLANT ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2022

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 ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2022

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 the statement of financial activities.

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	Unrestricted funds	Restricted funds	Total
	2022	2021	2021	2021
	£	£	£	£
Donations and gifts	49,805	69,342	8,621	77,963

3 Charitable activities

	Charitable Income 2022	Charitable Income 2021
	£	£
Income from services	25,605	8,459

FREEMAN HEART & LUNG TRANSPLANT ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2022

4 Other trading activities

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Fundraising events	65,944	2,073

5 Investments

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Rental income	4,012	2,940
Interest receivable	2,128	1,032
	6,140	3,972

6 Raising funds

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
<u>Fundraising and publicity</u>		
Staging fundraising events	3,774	1,150
	3,774	1,150

FREEMAN HEART & LUNG TRANSPLANT ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2022

7 Charitable activities

	Charitable Expenditure 2022 £	Charitable Expenditure 2021 £
Depreciation and impairment	13,481	5,178
Insurance	417	734
Telephone	2,801	4,354
Computer software & website	4,574	504
Just giving	-	468
Games and special events	5,648	9,215
Motor and travel	2,050	1,986
Hospital purchases	45,152	5,155
Caravan site costs	21,993	3,338
	<u>96,116</u>	<u>30,932</u>
Share of support costs (see note 8)	1,052	2,199
Share of governance costs (see note 8)	1,428	1,524
	<u>98,596</u>	<u>34,655</u>
Analysis by fund		
Unrestricted funds	97,595	30,641
Restricted funds	1,001	4,014
	<u>98,596</u>	<u>34,655</u>

8 Support costs

	Support costs £	Governance costs £	2022 £	Support costs £	Governance costs £	2021 £
Sundries	384	-	384	1,259	-	1,259
Postage and stationery	668	-	668	940	-	940
Legal and professional	-	-	-	-	300	300
Independent examination fees	-	1,428	1,428	-	1,224	1,224
	<u>1,052</u>	<u>1,428</u>	<u>2,480</u>	<u>2,199</u>	<u>1,524</u>	<u>3,723</u>
Analysed between Charitable activities	<u>1,052</u>	<u>1,428</u>	<u>2,480</u>	<u>2,199</u>	<u>1,524</u>	<u>3,723</u>

FREEMAN HEART & LUNG TRANSPLANT ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2022

9 Trustees

There were no trustees' remuneration or other benefits for the year ended 31 October 2022 nor for the year ended 31 October 2021.

Trustees' expenses

During the year 5 trustees were paid expenses for phone and travel costs totalling £6,366 (2021: 6 trustees paid £9,628).

10 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Total	-	-

There were no employees whose annual remuneration was more than £60,000.

11 Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 November 2021	51,789
Additions	83,030
At 31 October 2022	134,819
Depreciation and impairment	
At 1 November 2021	26,781
Depreciation charged in the year	13,481
At 31 October 2022	40,262
Carrying amount	
At 31 October 2022	94,557
At 31 October 2021	25,008

12 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	2,445	-
Prepayments and accrued income	86	85
	2,531	85

FREEMAN HEART & LUNG TRANSPLANT ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2022

13 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	606	-
Accruals and deferred income	1,296	1,224
	<u>1,902</u>	<u>1,224</u>

14 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 1 November 2021 £	Resources expended £
Mental health	-	380	(373)	7	(7)
Flats	-	530	-	530	(342)
Mobile home mattress	-	200	(200)	-	-
Internet at mobile home	-	2,300	(41)	2,259	(562)
Tablets	-	5,211	(3,400)	1,811	(90)
	<u>-</u>	<u>8,621</u>	<u>(4,014)</u>	<u>4,607</u>	<u>(1,001)</u>
					<u>3,606</u>

Mental health fund:

This fund represents donations received for mental health improvement

Flats fund:

This fund represents donations received for the upkeep of flats

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

FREEMAN HEART & LUNG TRANSPLANT ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2022

15 Designated funds

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

	Balance at 1 November 2020 £	Transfers £	Balance at 1 November 2021 £	Transfers £	Balance at 31 October 2022 £
Designated funds	40,000	58,000	98,000	(12,000)	86,000
	<u>40,000</u>	<u>58,000</u>	<u>98,000</u>	<u>(12,000)</u>	<u>86,000</u>

The above funds have been designated for the purposes set out in the trustees report.

16 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 October 2022 are represented by:						
Tangible assets	94,557	-	94,557	25,008	-	25,008
Current assets/(liabilities)	326,793	3,606	330,399	350,217	4,607	354,824
	<u>421,350</u>	<u>3,606</u>	<u>424,956</u>	<u>375,225</u>	<u>4,607</u>	<u>379,832</u>

17 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).