

THE HEARTH FOUNDATION

England & Wales · Charity number 1165540

Details

Other names	THE BOSWORTH FAMILY CHARITY
Status	Registered
Legal form	CIO
Registered	2016-02-11
Register	View on the Charity Commission register

Contact

Address	Monkstone Main Street Mowsley Lutterworth LE17 6NU
Phone	01162402162
Email	michael.bosworth@btopenworld.com

Activities

Objects: TO ADVANCE SUCH CHARITABLE PURPOSES (ACCORDING TO THE LAWS OF ENGLAND AND WALES) AS THE TRUSTEES SEE FIT FROM TIME TO TIME.

Activities: The object of the Charity as stated in its constitution, is to advance such charitable purposes (according to the law of England and Wales) as the Trustees see fit from time to time.

Classification

- **How:** Makes Grants To Organisations
- **What:** General Charitable Purposes
- **Who:** Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-04-05	£133,018	£184,470	-	-
2024-04-05	£140,116	£110,202	-	-
2023-04-05	£120,808	£152,766	-	-
2022-04-05	£153,729	£195,745	-	-
2021-04-05	£115,733	£114,675	-	-

Trustees

Name	Role	Appointed
MICHAEL BOSWORTH FCA	Chair	2016-02-11
CHRIS BOSWORTH		2016-02-11
DR S BOSWORTH		2017-02-11
MRS H E BOSWORTH		2016-02-11
MRS J BOSWORTH		2016-02-11
MRS V M BOSWORTH M.ENG MBA		2016-02-11

THE HEARTH FOUNDATION

England & Wales - Charity number 1165540

Accounts

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2025
FOR
THE HEARTH FOUNDATION**

HB&O Ltd
Chartered Accountants
Highdown House
11 Highdown Road
Leamington Spa
Warwickshire
CV31 1XT

THE HEARTH FOUNDATION

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for the year ended 5 April 2025**

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THE HEARTH FOUNDATION

REPORT OF THE TRUSTEES for the year ended 5 April 2025

The trustees present their report with the financial statements of the charity for the year ended 5 April 2025. The trustees have adopted the provisions of 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 2015).

FINANCIAL REVIEW

Reserves policy

It is the policy of the charity to maintain unrestricted funds, which are the free funds of the charity, at a relatively high level in order to provide sufficient funds to cover operating costs on the freehold investment properties.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Charity is constituted as a Charitable Incorporated Organisation (CIO) taking the form of a foundation model charity governed by a trust deed. The Charity changed its name by Special Resolution on 6 April 2017 to The Hearth Foundation.

Foundation

The Charity was initially funded with donations amounting to £2million in June 2016, which together with the resultant tax repayment has been invested in a variety of income producing investments, including freehold property, as detailed in the Accounts.

Aims

The object of the Charity as stated in its constitution, is to advance such charitable purposes (according to the law of England and Wales) as the Trustees see fit from time to time.

The income arising from the investments made will be distributed to beneficiaries' subject to retaining a suitable reserve to cover any expenses on the freehold investment properties not recoverable from tenants. It is the intention of the Trustees to make such grants during the first calendar quarter of each year.

The Charity has no specific restrictions as to any beneficiaries, but particular consideration will be given by the Trustees to applications for the benefit of younger people in the Midlands and North of the country. Applications will be considered throughout the year, and distributed as stated above. The Trustees are confident that in exercising their duties, they have full regard to the requirements of the Charity Commission concerning public benefit.

Financial Performance

The Trustees are satisfied with the performance of the various investments taking into consideration the present economic environment, and are hopeful that the diversity of these investments will provide a good return in years to come for public benefit. No payment has been made to the Trustees for services or expenses. The only expenses paid by the Charity, apart from any irrecoverable expenses relating to the investment properties, have been in respect of professional costs and investment advice. Full details of the financial results for the year ended 5 April 2025 are shown in the Accounts.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

CE005397 (England and Wales)

Registered Charity number

1165540

Registered office

Monkstone House
Main Street
Mowsley
Lutterworth
Leicestershire
LE17 6NU

THE HEARTH FOUNDATION

**REPORT OF THE TRUSTEES
for the year ended 5 April 2025**

Trustees

M Bosworth
Mrs V M Bosworth
C M Bosworth
Mrs J P M Bosworth
S Bosworth
Mrs H E Bosworth

The Trustees do not currently intend to seek further funding for the Charity, and are confident that the present Board have a sufficient range of skills for its operation. Consequently, no further appointments are currently envisaged.

Independent Examiner

Mark Ashfield BA FCA
HB&O Ltd
Chartered Accountants
Highdown House
11 Highdown Road
Leamington Spa
Warwickshire
CV31 1XT

Advisers

Legal

Lodders Solicitors,
Stratford-upon-Avon

Property

Harris Lamb Chartered Surveyors,
Birmingham

Investment

Brewin Dolphin,
Birmingham

Fairstone Financial Management Limited,
Kibworth Leicester

Approved by order of the board of trustees on 11 November 2025 and signed on its behalf by:



M Bosworth - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
THE HEARTH FOUNDATION**

Independent examiner's report to the trustees of The Hearth Foundation ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 5 April 2025.

Responsibilities and basis of report

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

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

Independent examiner's statement

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:

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

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

Mark Ashfield BA FCA

HB&O Ltd
Chartered Accountants
Highdown House
11 Highdown Road
Leamington Spa
Warwickshire
CV31 1XT

11 November 2025

THE HEARTH FOUNDATION
STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 5 April 2025

	Notes	2025 Unrestricted fund £	2024 Total funds £
INCOME AND ENDOWMENTS FROM			
Investment income	3	<u>133,018</u>	<u>140,116</u>
EXPENDITURE ON			
Raising funds	4	100,950	31,474
Charitable activities			
Donations	5	69,500	66,503
Property fees		12,452	-
Other		<u>1,568</u>	<u>12,225</u>
Total		<u>184,470</u>	<u>110,202</u>
Net gains/(losses) on investments		<u>(58,639)</u>	<u>156,610</u>
NET INCOME/(EXPENDITURE)		(110,091)	186,524
RECONCILIATION OF FUNDS			
Total funds brought forward		2,948,719	2,762,195
TOTAL FUNDS CARRIED FORWARD		<u><u>2,838,628</u></u>	<u><u>2,948,719</u></u>

The notes form part of these financial statements

THE HEARTH FOUNDATION

BALANCE SHEET
5 April 2025

	Notes	2025 Unrestricted fund £	2024 Total funds £
FIXED ASSETS			
Investments			
Investments	11	1,358,829	1,458,945
Investment property	12	1,311,859	1,311,859
		2,670,688	2,770,804
CURRENT ASSETS			
Debtors	13	56,762	58,335
Cash at bank		115,302	126,283
		172,064	184,618
CREDITORS			
Amounts falling due within one year	14	(4,124)	(6,703)
		167,940	177,915
NET CURRENT ASSETS			
TOTAL ASSETS LESS CURRENT LIABILITIES		2,838,628	2,948,719
NET ASSETS		2,838,628	2,948,719
FUNDS			
Unrestricted funds	15	2,838,628	2,948,719
TOTAL FUNDS		2,838,628	2,948,719

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 5 April 2025.

The members have not required the company to obtain an audit of its financial statements for the year ended 5 April 2025 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The financial statements were approved by the Board of Trustees and authorised for issue on 11 November 2025 and were signed on its behalf by:

THE HEARTH FOUNDATION

BALANCE SHEET - continued
5 April 2025

M Bosworth

M Bosworth - Trustee

THE HEARTH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS for the year ended 5 April 2025

1. GENERAL INFORMATION

The charity was incorporated under the Charitable Incorporated Organisations (General) Regulations 2012 on 11 February 2016. The charity's registered number and registered office address can be found on the Report of the Trustees.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, 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 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

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.

Investment income is recognised on a receivable basis.

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.

Irrecoverable VAT

There is currently no requirement to restrict any VAT through the VAT returns of The Hearth Foundation as the expenditure it incurs relates wholly to the commercial properties which are all subject to an option to tax and therefore VAT is charged on rents and related service charges.

It is noted that there is a very small amount of exempt income arising from the quarterly service charge invoiced to the occupants of the residential flats which have been sold. It is considered that any VAT incurred in respect of this element would be fully recoverable under the rules for partial exemption.

Grants

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.

Allocation and apportionment of costs

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

All costs are allocated between the expenditure categories of the SoFA on a basis designed to reflect the use of the resource. Directly attributable costs are allocated by resource, with the balance of expenditure allocated according to the proportion of trustee involvement with each resource.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Charity and include the audit fees and costs linked to the strategic management of the Charity.

THE HEARTH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 5 April 2025

2. ACCOUNTING POLICIES - continued

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in market value is recognised in 'net gains/(losses) on investments' in the SoFA.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives.

Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains/(losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

Financial Instruments

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment.

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement.

Debtors

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

Creditors and provisions

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

3. INVESTMENT INCOME

	2025	2024
	£	£
Rents received	106,382	109,644
Investment income	24,344	27,666
Deposit account interest	2,292	2,806
	<u>133,018</u>	<u>140,116</u>

THE HEARTH FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 5 April 2025**

4. RAISING FUNDS

Investment management costs

	2025	2024
	£	£
Portfolio management	28,364	17,437
Insurance	3,199	3,414
Property repairs	57,706	3,000
Maintenance charges	8,756	7,623
	98,025	31,474
	98,025	31,474

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Grant funding of activities (see note 6) £	Support costs (see note 7) £	Totals £
Donations	-	69,500	-	69,500
Property fees	5,496	-	6,956	12,452
	5,496	69,500	6,956	81,952
	5,496	69,500	6,956	81,952

6. GRANTS PAYABLE

	2025	2024
	£	£
Donations	69,500	66,500
	69,500	66,500

7. SUPPORT COSTS

	Governance costs £
Other trading activities	2,925
Other resources expended	1,568
Property fees	6,956
	11,449
	11,449

THE HEARTH FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 5 April 2025**

7. SUPPORT COSTS - continued

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

Governance costs

				2025	2024
	Other trading activities	Other resources expended	Property fees	Total activities	Total activities
	£	£	£	£	£
Accountancy and legal fees	<u>2,925</u>	<u>1,568</u>	<u>6,956</u>	<u>11,449</u>	<u>12,225</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 5 April 2025 nor for the year ended 5 April 2024.

Trustees' expenses

There were no trustees' expenses paid for the year ended 5 April 2025 nor for the year ended 5 April 2024.

9. STAFF COSTS

There were no staff costs for the year ended 5 April 2025 nor the year ended 5 April 2024.

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £
INCOME AND ENDOWMENTS FROM	
Investment income	<u>140,116</u>
EXPENDITURE ON	
Raising funds	31,474
Charitable activities	
Donations	66,503
Other	<u>12,225</u>
Total	<u>110,202</u>
Net gains on investments	<u>156,610</u>
NET INCOME	186,524
RECONCILIATION OF FUNDS	
Total funds brought forward	2,762,195
TOTAL FUNDS CARRIED FORWARD	<u><u>2,948,719</u></u>

THE HEARTH FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 5 April 2025**

11. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 6 April 2024	1,458,945
Additions	140,574
Disposals	(153,442)
Revaluation	(87,248)
	1,358,829
At 5 April 2025	1,358,829
NET BOOK VALUE	
At 5 April 2025	1,358,829
At 5 April 2024	1,458,945

Fixed asset investments comprise a portfolio of listed investments and funds managed by Brewin Dolphin and Fairstone Financial Management on behalf of the charity. The funds are valued on a regular basis by the investment managers with reference to current market prices.

The historic cost of listed fixed asset investments totals £1,171,593 (2024 £1,175,059)

12. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 6 April 2024 and 5 April 2025	1,311,859
NET BOOK VALUE	
At 5 April 2025	1,311,859
At 5 April 2024	1,311,859

The trustees consider the cost of the investment to equate to market value.

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024
	£	£
Trade debtors	51,797	58,335
VAT	4,965	-
	56,762	58,335

THE HEARTH FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 5 April 2025**

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024
	£	£
VAT	-	2,779
Accruals and deferred income	4,124	3,924
	<u>4,124</u>	<u>6,703</u>

15. MOVEMENT IN FUNDS

	At 6.4.24	Net movement in funds	At
	£	£	5.4.25 £
Unrestricted funds			
General fund	2,948,719	(110,091)	2,838,628
	<u>2,948,719</u>	<u>(110,091)</u>	<u>2,838,628</u>

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

	Incoming resources	Resources expended	Gains and losses	Movement in funds
	£	£	£	£
Unrestricted funds				
General fund	133,018	(184,470)	(58,639)	(110,091)
	<u>133,018</u>	<u>(184,470)</u>	<u>(58,639)</u>	<u>(110,091)</u>

Comparatives for movement in funds

	At 6.4.23	Net movement in funds	At
	£	£	5.4.24 £
Unrestricted funds			
General fund	2,762,195	186,524	2,948,719
	<u>2,762,195</u>	<u>186,524</u>	<u>2,948,719</u>

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

	Incoming resources	Resources expended	Gains and losses	Movement in funds
	£	£	£	£
Unrestricted funds				
General fund	140,116	(110,202)	156,610	186,524
	<u>140,116</u>	<u>(110,202)</u>	<u>156,610</u>	<u>186,524</u>

THE HEARTH FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 5 April 2025**

15. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 6.4.23 £	Net movement in funds £	At 5.4.25 £
Unrestricted funds			
General fund	2,762,195	76,433	2,838,628
TOTAL FUNDS	<u>2,762,195</u>	<u>76,433</u>	<u>2,838,628</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	273,134	(294,672)	97,971	76,433
TOTAL FUNDS	<u>273,134</u>	<u>(294,672)</u>	<u>97,971</u>	<u>76,433</u>

16. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 5 April 2025.

THE HEARTH FOUNDATION

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 5 April 2025**

	2025 £	2024 £
INCOME AND ENDOWMENTS		
Investment income		
Rents received	106,382	109,644
Investment income	24,344	27,666
Deposit account interest	2,292	2,806
	133,018	140,116
Total incoming resources	133,018	140,116
EXPENDITURE		
Investment management costs		
Portfolio management	28,364	17,437
Insurance	3,199	3,414
Property repairs	57,706	3,000
Maintenance charges	8,756	7,623
	98,025	31,474
Charitable activities		
Light and heat	5,496	-
Sundries	-	3
Grants to institutions	69,500	66,500
	74,996	66,503
Support costs		
Governance costs		
Accountancy and legal fees	11,449	12,225
	11,449	12,225
Total resources expended	184,470	110,202
Net (expenditure)/income before gains and losses	(51,452)	29,914
Realised recognised gains and losses		
Realised gains/(losses) on fixed asset investments	28,609	104,058
	28,609	104,058
Net (expenditure)/income	(22,843)	133,972

This page does not form part of the statutory financial statements

THE HEARTH FOUNDATION

England & Wales - Charity number 1165540

Accounts

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2024
FOR
THE HEARTH FOUNDATION**

Harrison Beale & Owen Limited
Chartered Accountants
Highdown House
11 Highdown Road
Leamington Spa
Warwickshire
CV31 1XT

THE HEARTH FOUNDATION

**CONTENTS OF THE FINANCIAL STATEMENTS
for the year ended 5 April 2024**

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THE HEARTH FOUNDATION

REPORT OF THE TRUSTEES for the year ended 5 April 2024

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FINANCIAL REVIEW

Reserves policy

It is the policy of the charity to maintain unrestricted funds, which are the free funds of the charity, at a relatively high level in order to provide sufficient funds to cover operating costs on the freehold investment properties.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

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Aims

The object of the Charity as stated in its constitution, is to advance such charitable purposes (according to the law of England and Wales) as the Trustees see fit from time to time.

The income arising from the investments made will be distributed to beneficiaries' subject to retaining a suitable reserve to cover any expenses on the freehold investment properties not recoverable from tenants. It is the intention of the Trustees to make such grants during the first calendar quarter of each year.

The Charity has no specific restrictions as to any beneficiaries, but particular consideration will be given by the Trustees to applications for the benefit of younger people in the Midlands and North of the country. Applications will be considered throughout the year, and distributed as stated above. The Trustees are confident that in exercising their duties, they have full regard to the requirements of the Charity Commission concerning public benefit.

Financial Performance

The Trustees are satisfied with the performance of the various investments taking into consideration the present economic environment, and are hopeful that the diversity of these investments will provide a good return in years to come for public benefit. No payment has been made to the Trustees for services or expenses. The only expenses paid by the Charity, apart from any irrecoverable expenses relating to the investment properties, have been in respect of professional costs and investment advice. Full details of the financial results for the year ended 5 April 2024 are shown in the Accounts.

REFERENCE AND ADMINISTRATIVE DETAILS

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CE005397 (England and Wales)

Registered Charity number

1165540

Registered office

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Main Street
Mowsley
Lutterworth
Leicestershire
LE17 6NU

THE HEARTH FOUNDATION

**REPORT OF THE TRUSTEES
for the year ended 5 April 2024**

Trustees

M Bosworth
Mrs V M Bosworth
C M Bosworth
Mrs J P M Bosworth
S Bosworth
Mrs H E Bosworth

The Trustees do not currently intend to seek further funding for the Charity, and are confident that the present Board have a sufficient range of skills for its operation. Consequently, no further appointments are currently envisaged.

Independent Examiner

Mark Ashfield BA FCA
Harrison Beale & Owen Limited
Chartered Accountants
Highdown House
11 Highdown Road
Leamington Spa
Warwickshire
CV31 1XT

Advisers

Legal

Lodders Solicitors,
Stratford-upon-Avon

Property

Harris Lamb Chartered Surveyors,
Birmingham

Investment

Brewin Dolphin,
Birmingham

Fairstone Financial Management Limited,
Kibworth Leicester

Approved by order of the board of trustees on 10 January 2025 and signed on its behalf by:

M Bosworth - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
THE HEARTH FOUNDATION**

Independent examiner's report to the trustees of The Hearth Foundation ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 5 April 2024.

Responsibilities and basis of report

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

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

Independent examiner's statement

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:

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

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

Mark Ashfield BA FCA

Harrison Beale & Owen Limited
Chartered Accountants
Highdown House
11 Highdown Road
Leamington Spa
Warwickshire
CV31 1XT

10 January 2025

THE HEARTH FOUNDATION

**STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 5 April 2024**

	Notes	2024 Unrestricted fund £	2023 Total funds £
INCOME AND ENDOWMENTS FROM			
Investment income	3	<u>140,116</u>	<u>120,808</u>
EXPENDITURE ON			
Raising funds	4	31,474	53,980
Charitable activities			
Donations	5	66,503	96,136
Other		<u>12,225</u>	<u>2,650</u>
Total		<u>110,202</u>	<u>152,766</u>
Net gains/(losses) on investments		<u>156,610</u>	<u>(97,862)</u>
NET INCOME/(EXPENDITURE)		186,524	(129,820)
RECONCILIATION OF FUNDS			
Total funds brought forward		<u>2,762,195</u>	<u>2,892,015</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>2,948,719</u></u>	<u><u>2,762,195</u></u>

The notes form part of these financial statements

THE HEARTH FOUNDATION

BALANCE SHEET
5 April 2024

	Notes	2024 Unrestricted fund £	2023 Total funds £
FIXED ASSETS			
Investments			
Investments	11	1,458,945	1,306,775
Investment property	12	1,311,859	1,311,859
		2,770,804	2,618,634
CURRENT ASSETS			
Debtors	13	58,335	47,529
Cash at bank		126,283	100,150
		184,618	147,679
CREDITORS			
Amounts falling due within one year	14	(6,703)	(4,118)
		177,915	143,561
NET CURRENT ASSETS			
		2,948,719	2,762,195
TOTAL ASSETS LESS CURRENT LIABILITIES			
		2,948,719	2,762,195
NET ASSETS			
		2,948,719	2,762,195
FUNDS			
Unrestricted funds	15	2,948,719	2,762,195
		2,948,719	2,762,195
TOTAL FUNDS			

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 5 April 2024.

The members have not required the company to obtain an audit of its financial statements for the year ended 5 April 2024 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The financial statements were approved by the Board of Trustees and authorised for issue on 10 January 2025 and were signed on its behalf by:

The notes form part of these financial statements

THE HEARTH FOUNDATION

BALANCE SHEET - continued
5 April 2024

M Bosworth - Trustee

The notes form part of these financial statements

THE HEARTH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS for the year ended 5 April 2024

1. GENERAL INFORMATION

The charity was incorporated under the Charitable Incorporated Organisations (General) Regulations 2012 on 11 February 2016. The charity's registered number and registered office address can be found on the Report of the Trustees.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, 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 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

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.

Investment income is recognised on a receivable basis.

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.

Irrecoverable VAT

There is currently no requirement to restrict any VAT through the VAT returns of The Hearth Foundation as the expenditure it incurs relates wholly to the commercial properties which are all subject to an option to tax and therefore VAT is charged on rents and related service charges.

It is noted that there is a very small amount of exempt income arising from the quarterly service charge invoiced to the occupants of the residential flats which have been sold. It is considered that any VAT incurred in respect of this element would be fully recoverable under the rules for partial exemption.

Grants

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.

Allocation and apportionment of costs

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

All costs are allocated between the expenditure categories of the SoFA on a basis designed to reflect the use of the resource. Directly attributable costs are allocated by resource, with the balance of expenditure allocated according to the proportion of trustee involvement with each resource.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Charity and include the audit fees and costs linked to the strategic management of the Charity.

THE HEARTH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 5 April 2024

2. ACCOUNTING POLICIES - continued

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in market value is recognised in 'net gains/(losses) on investments' in the SoFA.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives.

Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains/(losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

Financial Instruments

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment.

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement.

Debtors

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

Creditors and provisions

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

3. INVESTMENT INCOME

	2024	2023
	£	£
Rents received	109,644	93,260
Investment income	27,666	27,008
Deposit account interest	2,806	540
	<u>140,116</u>	<u>120,808</u>

THE HEARTH FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 5 April 2024**

4. RAISING FUNDS

Raising donations and legacies

	2024	2023
	£	£
Support costs	-	170
	<u> </u>	<u> </u>

Investment management costs

	2024	2023
	£	£
Portfolio management	17,437	25,654
Insurance	3,414	3,200
Property repairs	3,000	20,515
Maintenance charges	7,623	4,441
	<u>31,474</u>	<u>53,810</u>

Aggregate amounts	<u>31,474</u>	<u>53,980</u>
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5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Grant funding of activities (see note 6) £	Totals £
Donations	<u>3</u>	<u>66,500</u>	<u>66,503</u>

6. GRANTS PAYABLE

	2024	2023
	£	£
Donations	<u>66,500</u>	<u>95,000</u>

THE HEARTH FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 5 April 2024**

7. SUPPORT COSTS

	Governance costs £ <u>12,225</u>
Other resources expended	<u>12,225</u>

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

Governance costs

	2024	2023
	Other resources expended £	Total activities £
Accountancy and legal fees	<u>12,225</u>	<u>3,566</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 5 April 2024 nor for the year ended 5 April 2023.

Trustees' expenses

There were no trustees' expenses paid for the year ended 5 April 2024 nor for the year ended 5 April 2023.

9. STAFF COSTS

There were no staff costs for the year ended 5 April 2024 nor the year ended 5 April 2023.

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £
INCOME AND ENDOWMENTS FROM	
Investment income	<u>120,808</u>
EXPENDITURE ON	
Raising funds	53,980
Charitable activities	
Donations	96,136
Other	<u>2,650</u>
Total	<u>152,766</u>
Net gains/(losses) on investments	<u>(97,862)</u>

THE HEARTH FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 5 April 2024**

10.	COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued	Unrestricted fund £
	NET INCOME/(EXPENDITURE)	(129,820)
	RECONCILIATION OF FUNDS	
	Total funds brought forward	2,892,015
	TOTAL FUNDS CARRIED FORWARD	<u>2,762,195</u>
11.	FIXED ASSET INVESTMENTS	Listed investments £
	MARKET VALUE	
	At 6 April 2023	1,306,775
	Additions	799,015
	Disposals	(699,397)
	Revaluation	52,552
	At 5 April 2024	<u>1,458,945</u>
	NET BOOK VALUE	
	At 5 April 2024	<u>1,458,945</u>
	At 5 April 2023	<u>1,306,775</u>
	Fixed asset investments comprise a portfolio of listed investments and funds managed by Brewin Dolphin and Fairstone Financial Management on behalf of the charity. The funds are valued on a regular basis by the investment managers with reference to current market prices.	
	The historic cost of listed fixed asset investments totals £1,175,059 (2023 - £1,091,506).	
12.	INVESTMENT PROPERTY	£
	FAIR VALUE	
	At 6 April 2023 and 5 April 2024	<u>1,311,859</u>
	NET BOOK VALUE	
	At 5 April 2024	<u>1,311,859</u>
	At 5 April 2023	<u>1,311,859</u>
	The trustees consider the cost of the investment to equate to market value.	

THE HEARTH FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 5 April 2024**

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		2024	2023
		£	£
Trade debtors		<u>58,335</u>	<u>47,529</u>
14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		2024	2023
		£	£
Trade creditors		-	180
VAT		2,779	197
Accruals and deferred income		<u>3,924</u>	<u>3,741</u>
		<u>6,703</u>	<u>4,118</u>

15. MOVEMENT IN FUNDS			Net movement in funds	At 5.4.24
	At 6.4.23	£	£	£
Unrestricted funds				
General fund	2,762,195		186,524	2,948,719
TOTAL FUNDS	<u>2,762,195</u>		<u>186,524</u>	<u>2,948,719</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	140,116	(110,202)	156,610	186,524
TOTAL FUNDS	<u>140,116</u>	<u>(110,202)</u>	<u>156,610</u>	<u>186,524</u>

Comparatives for movement in funds

		Net movement in funds	At 5.4.23
	At 6.4.22	£	£
Unrestricted funds			
General fund	2,892,015	(129,820)	2,762,195
TOTAL FUNDS	<u>2,892,015</u>	<u>(129,820)</u>	<u>2,762,195</u>

THE HEARTH FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 5 April 2024**

15. 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 £
Unrestricted funds				
General fund	120,808	(152,766)	(97,862)	(129,820)
	<u>120,808</u>	<u>(152,766)</u>	<u>(97,862)</u>	<u>(129,820)</u>
TOTAL FUNDS	<u>120,808</u>	<u>(152,766)</u>	<u>(97,862)</u>	<u>(129,820)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 6.4.22 £	Net movement in funds £	At 5.4.24 £
Unrestricted funds			
General fund	2,892,015	56,704	2,948,719
	<u>2,892,015</u>	<u>56,704</u>	<u>2,948,719</u>
TOTAL FUNDS	<u>2,892,015</u>	<u>56,704</u>	<u>2,948,719</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	260,924	(262,968)	58,748	56,704
	<u>260,924</u>	<u>(262,968)</u>	<u>58,748</u>	<u>56,704</u>
TOTAL FUNDS	<u>260,924</u>	<u>(262,968)</u>	<u>58,748</u>	<u>56,704</u>

THE HEARTH FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 5 April 2024**

16. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 5 April 2024.

THE HEARTH FOUNDATION

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 5 April 2024**

	2024 £	2023 £
INCOME AND ENDOWMENTS		
Investment income		
Rents received	109,644	93,260
Investment income	27,666	27,008
Deposit account interest	2,806	540
	140,116	120,808
Total incoming resources	140,116	120,808
EXPENDITURE		
Investment management costs		
Portfolio management	17,437	25,654
Insurance	3,414	3,200
Property repairs	3,000	20,515
Maintenance charges	7,623	4,441
	31,474	53,810
Charitable activities		
Light and heat	-	390
Sundries	3	-
Grants to institutions	66,500	95,000
	66,503	95,390
Support costs		
Governance costs		
Accountancy and legal fees	12,225	3,566
	110,202	152,766
Net income/(expenditure) before gains and losses	29,914	(31,958)
Realised recognised gains and losses		
Realised gains/(losses) on fixed asset investments	104,058	21,645
Net income/(expenditure)	133,972	(10,313)

This page does not form part of the statutory financial statements

THE HEARTH FOUNDATION

England & Wales - Charity number 1165540

Accounts

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2023
FOR
THE HEARTH FOUNDATION**

Harrison Beale & Owen Limited
Chartered Accountants
Highdown House
11 Highdown Road
Leamington Spa
Warwickshire
CV31 1XT

THE HEARTH FOUNDATION

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for the year ended 5 April 2023**

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THE HEARTH FOUNDATION

REPORT OF THE TRUSTEES for the year ended 5 April 2023

The trustees present their report with the financial statements of the charity for the year ended 5 April 2023. The trustees have adopted the provisions of 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 2015).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Charity is constituted as a Charitable Incorporated Organisation (CIO) taking the form of a foundation model charity governed by a trust deed. The Charity changed its name by Special Resolution on 6 April 2017 to The Hearth Foundation.

Foundation

The Charity was initially funded with donations amounting to £2million in June 2016, which together with the resultant tax repayment has been invested in a variety of income producing investments, including freehold property, as detailed in the Accounts.

Aims

The object of the Charity as stated in its constitution, is to advance such charitable purposes (according to the law of England and Wales) as the Trustees see fit from time to time.

The income arising from the investments made will be distributed to beneficiaries' subject to retaining a suitable reserve to cover any expenses on the freehold investment properties not recoverable from tenants. It is the intention of the Trustees to make such grants during the first calendar quarter of each year.

The Charity has no specific restrictions as to any beneficiaries, but particular consideration will be given by the Trustees to applications for the benefit of younger people in the Midlands and North of the country. Applications will be considered throughout the year, and distributed as stated above. The Trustees are confident that in exercising their duties, they have full regard to the requirements of the Charity Commission concerning public benefit.

Financial Performance

The Trustees are satisfied with the performance of the various investments taking into consideration the present economic environment, and are hopeful that the diversity of these investments will provide a good return in years to come for public benefit. No payment has been made to the Trustees for services or expenses. The only expenses paid by the Charity have been in respect of professional costs and investment advice. Full details of the financial results for the year ended 5 April 2023 are shown in the Accounts.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

CE005397 (England and Wales)

Registered Charity number

1165540

Registered office

Monkstone House
Main Street
Mowsley
Lutterworth
Leicestershire
LE17 6NU

THE HEARTH FOUNDATION

**REPORT OF THE TRUSTEES
for the year ended 5 April 2023**

Trustees

M Bosworth Chairman
Mrs V M Bosworth
C M Bosworth
Mrs J P M Bosworth
S Bosworth
Mrs H E Bosworth

The Trustees do not currently intend to seek further funding for the Charity, and are confident that the present Board have a sufficient range of skills for its operation. Consequently, no further appointments are currently envisaged.

Independent Examiner

Mark Ashfield BA FCA
Harrison Beale & Owen Limited
Chartered Accountants
Highdown House
11 Highdown Road
Leamington Spa
Warwickshire
CV31 1XT

Advisers

Legal

Lodders Solicitors,
Stratford-upon-Avon

Property

Harris Lamb Chartered Surveyors,
Birmingham

Investment

Brewin Dolphin,
Birmingham

Fairstone Financial Management Limited,
Kibworth Leicester

Approved by order of the board of trustees on 6 December 2023 and signed on its behalf by:

M Bosworth - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
THE HEARTH FOUNDATION**

Independent examiner's report to the trustees of The Hearth Foundation ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 5 April 2023.

Responsibilities and basis of report

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

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

Independent examiner's statement

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:

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

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

Mark Ashfield BA FCA

Harrison Beale & Owen Limited
Chartered Accountants
Highdown House
11 Highdown Road
Leamington Spa
Warwickshire
CV31 1XT

6 December 2023

THE HEARTH FOUNDATION

**STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 5 April 2023**

	Notes	2023 Unrestricted fund £	2022 Total funds £
INCOME AND ENDOWMENTS FROM			
Investment income	3	120,808	116,979
Other income	4	<u>-</u>	<u>36,750</u>
Total		<u>120,808</u>	<u>153,729</u>
 EXPENDITURE ON			
Raising funds	5	53,980	81,507
Charitable activities	6		
Donations		96,136	96,000
Property fees		-	12,638
Other		<u>2,650</u>	<u>5,600</u>
Total		<u>152,766</u>	<u>195,745</u>
 Net gains/(losses) on investments		 <u>(97,862)</u>	 <u>29,906</u>
 NET INCOME/(EXPENDITURE)		 (129,820)	 (12,110)
 RECONCILIATION OF FUNDS			
Total funds brought forward		<u>2,892,015</u>	<u>2,904,125</u>
 TOTAL FUNDS CARRIED FORWARD		 <u>2,762,195</u>	 <u>2,892,015</u>

The notes form part of these financial statements

THE HEARTH FOUNDATION

BALANCE SHEET

5 April 2023

	Notes	2023 Unrestricted fund £	2022 Total funds £
FIXED ASSETS			
Investments			
Investments	12	1,306,775	1,430,452
Investment property	13	<u>1,311,859</u>	<u>1,311,859</u>
		2,618,634	2,742,311
CURRENT ASSETS			
Debtors	14	47,529	33,606
Cash at bank		<u>100,150</u>	<u>119,729</u>
		147,679	153,335
CREDITORS			
Amounts falling due within one year	15	<u>(4,118)</u>	<u>(3,631)</u>
		143,561	<u>149,704</u>
NET CURRENT ASSETS			
		<u>143,561</u>	<u>149,704</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>2,762,195</u>	2,892,015
NET ASSETS			
		<u>2,762,195</u>	<u>2,892,015</u>
FUNDS			
Unrestricted funds	16	<u>2,762,195</u>	<u>2,892,015</u>
TOTAL FUNDS			
		<u>2,762,195</u>	<u>2,892,015</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 5 April 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 5 April 2023 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The notes form part of these financial statements

THE HEARTH FOUNDATION

BALANCE SHEET - continued

5 April 2023

The financial statements were approved by the Board of Trustees and authorised for issue on 6 December 2023 and were signed on its behalf by:

M Bosworth - Trustee

The notes form part of these financial statements

THE HEARTH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS for the year ended 5 April 2023

1. GENERAL INFORMATION

The charity was incorporated under the Charitable Incorporated Organisations (General) Regulations 2012 on 11 February 2016. The charity's registered number and registered office address can be found on the Report of the Trustees.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, 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 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

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.

Investment income is recognised on a receivable basis.

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.

Irrecoverable VAT

There is currently no requirement to restrict any VAT through the VAT returns of The Hearth Foundation as the expenditure it incurs relates wholly to the commercial properties which are all subject to an option to tax and therefore VAT is charged on rents and related service charges.

It is noted that there is a very small amount of exempt income arising from the quarterly service charge invoiced to the occupants of the residential flats which have been sold. It is considered that any VAT incurred in respect of this element would be fully recoverable under the rules for partial exemption.

Grants

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.

Allocation and apportionment of costs

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

All costs are allocated between the expenditure categories of the SoFA on a basis designed to reflect the use of the resource. Directly attributable costs are allocated by resource, with the balance of expenditure allocated according to the proportion of trustee involvement with each resource.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Charity and include the audit fees and costs linked to the strategic management of the Charity.

THE HEARTH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 5 April 2023

2. ACCOUNTING POLICIES - continued

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in market value is recognised in 'net gains/(losses) on investments' in the SoFA.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives.

Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains/(losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

Financial Instruments

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment.

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement.

Debtors

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

Creditors and provisions

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

3. INVESTMENT INCOME

	2023	2022
	£	£
Rents received	93,260	93,279
Investment income	27,008	23,674
Deposit account interest	540	26
	<u>120,808</u>	<u>116,979</u>

THE HEARTH FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 5 April 2023**

4. OTHER INCOME		2023	2022
		£	£
Property repair contributions		<u>-</u>	<u>36,750</u>
5. RAISING FUNDS			
Raising donations and legacies		2023	2022
		£	£
Support costs		<u>170</u>	<u>-</u>
Investment management costs		2023	2022
		£	£
Portfolio management		25,654	17,687
Insurance		3,200	2,576
Property repairs		20,515	56,744
Maintenance charges		<u>4,441</u>	<u>4,500</u>
		<u>53,810</u>	<u>81,507</u>
Aggregate amounts		<u>53,980</u>	<u>81,507</u>
6. CHARITABLE ACTIVITIES COSTS			
	Direct	Grant	
	Costs	funding of	
	£	activities	
		(see note	Support
		7)	costs (see
		£	note 8)
			£
Donations	<u>390</u>	<u>95,000</u>	<u>746</u>
			<u>96,136</u>
7. GRANTS PAYABLE		2023	2022
		£	£
Donations		<u>95,000</u>	<u>96,000</u>

THE HEARTH FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 5 April 2023**

8. SUPPORT COSTS

	Governance costs £
Raising donations and legacies	170
Other resources expended	2,650
Donations	<u>746</u>
	<u><u>3,566</u></u>

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

Governance costs

			2023	2022
	Raising donations and legacies £	Other resources expended £	Donations £	Total activities £
	<u>170</u>	<u>2,650</u>	<u>746</u>	<u>3,566</u>
Accountancy and legal fees			<u>3,566</u>	<u>16,210</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 5 April 2023 nor for the year ended 5 April 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 5 April 2023 nor for the year ended 5 April 2022.

10. STAFF COSTS

There were no staff costs for the year ended 5 April 2023 nor the year ended 5 April 2022.

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £
INCOME AND ENDOWMENTS FROM	
Investment income	116,979
Other income	<u>36,750</u>
Total	<u>153,729</u>
 EXPENDITURE ON	
Raising funds	81,507
 Charitable activities	
Donations	96,000
Property fees	12,638

THE HEARTH FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 5 April 2023**

11.	COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued	Unrestricted fund £
	Other	<u>5,600</u>
	Total	<u>195,745</u>
	Net gains on investments	<u>29,906</u>
	NET INCOME/(EXPENDITURE)	(12,110)
	RECONCILIATION OF FUNDS	
	Total funds brought forward	<u>2,904,125</u>
	TOTAL FUNDS CARRIED FORWARD	<u><u>2,892,015</u></u>
12.	FIXED ASSET INVESTMENTS	Listed investments £
	MARKET VALUE	
	At 6 April 2022	1,430,452
	Additions	53,577
	Disposals	(57,747)
	Revaluation	<u>(119,507)</u>
	At 5 April 2023	<u>1,306,775</u>
	NET BOOK VALUE	
	At 5 April 2023	<u><u>1,306,775</u></u>
	At 5 April 2022	<u><u>1,430,452</u></u>

Fixed asset investments comprise a portfolio of listed investments and funds managed by Brewin Dolphin and Fairstone Financial Management on behalf of the charity. The funds are valued on a regular basis by the investment managers with reference to current market prices.

The historic cost of listed fixed asset investments totals £1,091,506 (2022 - £1,097,585).

THE HEARTH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 5 April 2023

13. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 6 April 2022 and 5 April 2023	<u>1,311,859</u>
NET BOOK VALUE	
At 5 April 2023	<u>1,311,859</u>
At 5 April 2022	<u>1,311,859</u>

The trustees consider the cost of the investment to equate to market value.

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade debtors	47,529	30,400
VAT	-	3,206
	<u>47,529</u>	<u>33,606</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade creditors	180	10
VAT	197	-
Accruals and deferred income	3,741	3,621
	<u>4,118</u>	<u>3,631</u>

16. MOVEMENT IN FUNDS

	At 6.4.22 £	Net movement in funds £	At 5.4.23 £
Unrestricted funds			
General fund	2,892,015	(129,820)	2,762,195
	<u>2,892,015</u>	<u>(129,820)</u>	<u>2,762,195</u>
TOTAL FUNDS	<u>2,892,015</u>	<u>(129,820)</u>	<u>2,762,195</u>

THE HEARTH FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 5 April 2023**

16. 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 £
Unrestricted funds				
General fund	120,808	(152,766)	(97,862)	(129,820)
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>120,808</u>	<u>(152,766)</u>	<u>(97,862)</u>	<u>(129,820)</u>

Comparatives for movement in funds

	At 6.4.21 £	Net movement in funds £	At 5.4.22 £
Unrestricted funds			
General fund	2,904,125	(12,110)	2,892,015
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>2,904,125</u>	<u>(12,110)</u>	<u>2,892,015</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	153,729	(195,745)	29,906	(12,110)
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>153,729</u>	<u>(195,745)</u>	<u>29,906</u>	<u>(12,110)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 6.4.21 £	Net movement in funds £	At 5.4.23 £
Unrestricted funds			
General fund	2,904,125	(141,930)	2,762,195
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>2,904,125</u>	<u>(141,930)</u>	<u>2,762,195</u>

THE HEARTH FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 5 April 2023**

16. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	274,537	(348,511)	(67,956)	(141,930)
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>274,537</u>	<u>(348,511)</u>	<u>(67,956)</u>	<u>(141,930)</u>

17. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 5 April 2023.

THE HEARTH FOUNDATION

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 5 April 2023**

	2023 £	2022 £
INCOME AND ENDOWMENTS		
Investment income		
Rents received	93,260	93,279
Investment income	27,008	23,674
Deposit account interest	<u>540</u>	<u>26</u>
	120,808	116,979
Other income		
Property repair contributions	<u>-</u>	<u>36,750</u>
Total incoming resources	120,808	153,729
EXPENDITURE		
Investment management costs		
Portfolio management	25,654	17,687
Insurance	3,200	2,576
Property repairs	20,515	56,744
Maintenance charges	<u>4,441</u>	<u>4,500</u>
	53,810	81,507
Charitable activities		
Light and heat	390	687
Sundries	-	1,341
Grants to institutions	<u>95,000</u>	<u>96,000</u>
	95,390	98,028
Support costs		
Governance costs		
Accountancy and legal fees	<u>3,566</u>	<u>16,210</u>
Total resources expended	<u>152,766</u>	<u>195,745</u>
Net expenditure before gains and losses	(31,958)	(42,016)
Realised recognised gains and losses		
Realised gains/(losses) on fixed asset investments	<u>21,645</u>	<u>4,791</u>
Net expenditure	<u>(10,313)</u>	<u>(37,225)</u>

This page does not form part of the statutory financial statements

THE HEARTH FOUNDATION

England & Wales - Charity number 1165540

Accounts

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2022
FOR
THE HEARTH FOUNDATION**

Harrison Beale & Owen Limited
Chartered Accountants
Highdown House
11 Highdown Road
Leamington Spa
Warwickshire
CV31 1XT

THE HEARTH FOUNDATION

**CONTENTS OF THE FINANCIAL STATEMENTS
for the year ended 5 April 2022**

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THE HEARTH FOUNDATION

REPORT OF THE TRUSTEES for the year ended 5 April 2022

The trustees present their report with the financial statements of the charity for the year ended 5 April 2022. The trustees have adopted the provisions of 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 2015).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Charity is constituted as a Charitable Incorporated Organisation (CIO) taking the form of a foundation model charity governed by a trust deed. The Charity changed its name by Special Resolution on 6 April 2017 to The Hearth Foundation.

Foundation

The Charity was initially funded with donations amounting to £2million in June 2016, which together with the resultant tax repayment has been invested in a variety of income producing investments, including freehold property, as detailed in the Accounts.

Aims

The object of the Charity as stated in its constitution, is to advance such charitable purposes (according to the law of England and Wales) as the Trustees see fit from time to time.

The income arising from the investments made will be distributed to beneficiaries' subject to retaining a suitable reserve to cover any expenses on the freehold investment properties not recoverable from tenants. It is the intention of the Trustees to make such grants during the first calendar quarter of each year.

The Charity has no specific restrictions as to any beneficiaries, but particular consideration will be given by the Trustees to applications for the benefit of younger people in the Midlands and North of the country. Applications will be considered throughout the year, and distributed as stated above. The Trustees are confident that in exercising their duties, they have full regard to the requirements of the Charity Commission concerning public benefit.

Financial Performance

The Trustees are pleased with the performance of the various investments made by the Charity during its first period of operation, and are hopeful that the diversity of these investments will provide a good return in years to come for public benefit. No payment has been made to the Trustees for services or expenses. The only expenses paid by the Charity have been in respect of professional costs and investment advice. Full details of the financial results for the year ended 5 April 2022 are shown in the Accounts.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

CE005397 (England and Wales)

Registered Charity number

1165540

Registered office

Monkstone House
Main Street
Mowsley
Lutterworth
Leicestershire
LE17 6NU

THE HEARTH FOUNDATION

**REPORT OF THE TRUSTEES
for the year ended 5 April 2022**

Trustees

M Bosworth Chairman
Mrs V M Bosworth
C M Bosworth
Mrs J P M Bosworth
S Bosworth
Mrs H E Bosworth

The Trustees do not currently intend to seek further funding for the Charity, and are confident that the present Board have a sufficient range of skills for its operation. Consequently, no further appointments are currently envisaged.

Independent Examiner

Mark Ashfield BA FCA
Harrison Beale & Owen Limited
Chartered Accountants
Highdown House
11 Highdown Road
Leamington Spa
Warwickshire
CV31 1XT

Advisers

Legal

Lodders Solicitors,
Stratford-upon-Avon

Property

Harris Lamb Chartered Surveyors,
Birmingham

Investment

Brewin Dolphin,
Birmingham

Fairstone Financial Management Limited,
Kibworth Leicester

Approved by order of the board of trustees on 19 December 2022 and signed on its behalf by:

M Bosworth - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
THE HEARTH FOUNDATION**

Independent examiner's report to the trustees of The Hearth Foundation ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 5 April 2022.

Responsibilities and basis of report

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

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

Independent examiner's statement

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:

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

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

Mark Ashfield BA FCA
Harrison Beale & Owen Limited
Chartered Accountants
Highdown House
11 Highdown Road
Leamington Spa
Warwickshire
CV31 1XT

19 December 2022

THE HEARTH FOUNDATION
STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 5 April 2022

	Notes	2022 Unrestricted fund £	2021 Total funds £
INCOME AND ENDOWMENTS FROM			
Investment income	3	116,979	117,408
Other income	4	<u>36,750</u>	<u>-</u>
Total		<u>153,729</u>	<u>117,408</u>
 EXPENDITURE ON			
Raising funds	5	81,507	25,775
Charitable activities	6		
Donations		96,000	86,153
Property fees		12,638	522
Other		<u>5,600</u>	<u>2,225</u>
Total		<u>195,745</u>	<u>114,675</u>
 Net gains on investments		 <u>29,906</u>	 <u>386,074</u>
 NET INCOME/(EXPENDITURE)		 (12,110)	 388,807
 RECONCILIATION OF FUNDS			
Total funds brought forward		<u>2,904,125</u>	<u>2,515,318</u>
 TOTAL FUNDS CARRIED FORWARD		 <u>2,892,015</u>	 <u>2,904,125</u>

The notes form part of these financial statements

THE HEARTH FOUNDATION

BALANCE SHEET
5 April 2022

	Notes	2022 Unrestricted fund £	2021 Total funds £
FIXED ASSETS			
Investments			
Investments	12	1,430,452	1,405,141
Investment property	13	<u>1,311,859</u>	<u>1,311,859</u>
		2,742,311	2,717,000
 CURRENT ASSETS			
Debtors	14	33,606	53,838
Cash at bank		<u>119,729</u>	<u>165,832</u>
		153,335	219,670
 CREDITORS			
Amounts falling due within one year	15	<u>(3,631)</u>	<u>(32,545)</u>
 NET CURRENT ASSETS		 <u>149,704</u>	 <u>187,125</u>
 TOTAL ASSETS LESS CURRENT LIABILITIES		 <u>2,892,015</u>	 <u>2,904,125</u>
 NET ASSETS		 <u>2,892,015</u>	 <u>2,904,125</u>
 FUNDS			
Unrestricted funds	16	<u>2,892,015</u>	<u>2,904,125</u>
 TOTAL FUNDS		 <u>2,892,015</u>	 <u>2,904,125</u>

The notes form part of these financial statements

THE HEARTH FOUNDATION

BALANCE SHEET - continued
5 April 2022

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 5 April 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 5 April 2022 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The financial statements were approved by the Board of Trustees and authorised for issue on 19 December 2022 and were signed on its behalf by:

M Bosworth - Trustee

THE HEARTH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS for the year ended 5 April 2022

1. GENERAL INFORMATION

The charity was incorporated under the Charitable Incorporated Organisations (General) Regulations 2012 on 11 February 2016. The charity's registered number and registered office address can be found on the Report of the Trustees.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, 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 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

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.

Investment income is recognised on a receivable basis.

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.

Irrecoverable VAT

There is currently no requirement to restrict any VAT through the VAT returns of The Hearth Foundation as the expenditure it incurs relates wholly to the commercial properties which are all subject to an option to tax and therefore VAT is charged on rents and related service charges.

It is noted that there is a very small amount of exempt income arising from the quarterly service charge invoiced to the occupants of the residential flats which have been sold. It is considered that any VAT incurred in respect of this element would be fully recoverable under the rules for partial exemption.

Grants

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.

Allocation and apportionment of costs

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

All costs are allocated between the expenditure categories of the SoFA on a basis designed to reflect the use of the resource. Directly attributable costs are allocated by resource, with the balance of expenditure allocated according to the proportion of trustee involvement with each resource.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Charity and include the audit fees and costs linked to the strategic management of the Charity.

THE HEARTH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 5 April 2022

2. ACCOUNTING POLICIES - continued

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in market value is recognised in 'net gains/(losses) on investments' in the SoFA.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives.

Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains/(losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

Financial Instruments

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment.

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement.

Debtors

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

Creditors and provisions

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

3. INVESTMENT INCOME

	2022	2021
	£	£
Rents received	93,279	92,947
Investment income	23,674	24,317
Deposit account interest	<u>26</u>	<u>144</u>
	<u>116,979</u>	<u>117,408</u>

THE HEARTH FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 5 April 2022**

4. OTHER INCOME			2022	2021
			£	£
Property repair contributions			<u>36,750</u>	<u>-</u>
5. RAISING FUNDS				
Investment management costs			2022	2021
			£	£
Portfolio management			17,687	15,661
Insurance			2,576	2,484
Property repairs			56,744	-
Maintenance charges			<u>4,500</u>	<u>7,630</u>
			<u>81,507</u>	<u>25,775</u>
6. CHARITABLE ACTIVITIES COSTS				
	Direct	Grant		
	Costs	funding of	Support	Totals
	£	activities	costs (see	£
		(see note	note 8)	
		7)		
		£	£	
Donations	-	96,000	-	96,000
Property fees	<u>2,028</u>	<u>-</u>	<u>10,610</u>	<u>12,638</u>
	<u>2,028</u>	<u>96,000</u>	<u>10,610</u>	<u>108,638</u>
7. GRANTS PAYABLE			2022	2021
			£	£
Donations			<u>96,000</u>	<u>83,000</u>

THE HEARTH FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 5 April 2022**

8. SUPPORT COSTS

	Governance costs £
Other resources expended	5,600
Property fees	<u>10,610</u>
	<u><u>16,210</u></u>

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

Governance costs

		2022		2021
	Other resources expended £		Property fees £	
		Total activities £		Total activities £
Accountancy and legal fees	<u>5,600</u>	<u>16,210</u>	<u>16,210</u>	<u>2,225</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 5 April 2022 nor for the year ended 5 April 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 5 April 2022 nor for the year ended 5 April 2021.

10. STAFF COSTS

There were no staff costs for the year ended 5 April 2022 nor the year ended 5 April 2021.

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £
INCOME AND ENDOWMENTS FROM	
Investment income	<u>117,408</u>
EXPENDITURE ON	
Raising funds	25,775
Charitable activities	
Donations	
Property fees	86,153 522
Other	2,225

THE HEARTH FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 5 April 2022**

11.	COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued	Unrestricted fund £
		<u>114,675</u>
	Total	<u>114,675</u>
	Net gains on investments	<u>386,074</u>
	NET INCOME	388,807
	RECONCILIATION OF FUNDS	
	Total funds brought forward	2,515,318
	TOTAL FUNDS CARRIED FORWARD	<u><u>2,904,125</u></u>
12.	FIXED ASSET INVESTMENTS	Listed investments £
	MARKET VALUE	
	At 6 April 2021	1,405,141
	Additions	18,968
	Disposals	(18,772)
	Revaluation	<u>25,115</u>
	At 5 April 2022	<u>1,430,452</u>
	NET BOOK VALUE	
	At 5 April 2022	<u><u>1,430,452</u></u>
	At 5 April 2021	<u><u>1,405,141</u></u>

Fixed asset investments comprise a portfolio of listed investments and funds managed by Brewin Dolphin and Fairstone Financial Management on behalf of the charity. The funds are valued on a regular basis by the investment managers with reference to current market prices.

The historic cost of listed fixed asset investments totals £1,097,585 (2021 - £1,105,357).

THE HEARTH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 5 April 2022

13. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 6 April 2021 and 5 April 2022	<u>1,311,859</u>
NET BOOK VALUE	
At 5 April 2022	<u>1,311,859</u>
At 5 April 2021	<u>1,311,859</u>

The trustees consider the cost of the investment to equate to market value.

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade debtors	30,400	52,338
VAT	<u>3,206</u>	<u>1,500</u>
	<u>33,606</u>	<u>53,838</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade creditors	10	-
Other creditors	-	28,962
Accruals and deferred income	<u>3,621</u>	<u>3,583</u>
	<u>3,631</u>	<u>32,545</u>

16. MOVEMENT IN FUNDS

	At 6.4.21	Net movement in funds	At 5.4.22
	£	£	£
Unrestricted funds			
General fund	2,904,125	(12,110)	2,892,015
	<u>2,904,125</u>	<u>(12,110)</u>	<u>2,892,015</u>
TOTAL FUNDS	<u>2,904,125</u>	<u>(12,110)</u>	<u>2,892,015</u>

THE HEARTH FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 5 April 2022**

16. 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 £
Unrestricted funds				
General fund	153,729	(195,745)	29,906	(12,110)
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>153,729</u>	<u>(195,745)</u>	<u>29,906</u>	<u>(12,110)</u>

Comparatives for movement in funds

	At 6.4.20 £	Net movement in funds £	At 5.4.21 £
Unrestricted funds			
General fund	2,515,318	388,807	2,904,125
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>2,515,318</u>	<u>388,807</u>	<u>2,904,125</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	117,408	(114,675)	386,074	388,807
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>117,408</u>	<u>(114,675)</u>	<u>386,074</u>	<u>388,807</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 6.4.20 £	Net movement in funds £	At 5.4.22 £
Unrestricted funds			
General fund	2,515,318	376,697	2,892,015
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>2,515,318</u>	<u>376,697</u>	<u>2,892,015</u>

THE HEARTH FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 5 April 2022**

16. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	271,137	(310,420)	415,980	376,697
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>271,137</u>	<u>(310,420)</u>	<u>415,980</u>	<u>376,697</u>

17. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 5 April 2022.

THE HEARTH FOUNDATION

England & Wales - Charity number 1165540

Accounts

REGISTERED CHARITY NUMBER: 1165540

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2021
FOR
THE HEARTH FOUNDATION**

Harrison Beale & Owen Limited
Chartered Accountants
Highdown House
11 Highdown Road
Leamington Spa
Warwickshire
CV31 1XT

THE HEARTH FOUNDATION

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THE HEARTH FOUNDATION

REPORT OF THE TRUSTEES for the year ended 5 April 2021

The trustees present their report with the financial statements of the charity for the year ended 5 April 2021. The trustees have adopted the provisions of 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 2015).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Charity is constituted as a Charitable Incorporated Organisation (CIO) taking the form of a foundation model charity governed by a trust deed. The Charity changed its name by Special Resolution on 6 April 2017 to The Hearth Foundation.

Foundation

The Charity was initially funded with donations in June 2016, which has been invested in a variety of income producing investments, including freehold property, as detailed in the Accounts.

Aims

The object of the Charity as stated in its constitution, is to advance such charitable purposes (according to the law of England and Wales) as the Trustees see fit from time to time.

The income arising from the investments made will be distributed to beneficiaries' subject to retaining a suitable reserve to cover any expenses on the freehold investment properties not recoverable from tenants. It is the intention of the Trustees to make such grants during the first calendar quarter of each year.

The Charity has no specific restrictions as to any beneficiaries, but particular consideration will be given by the Trustees to applications for the benefit of younger people in the Midlands and North of the country. Applications will be considered throughout the year, and distributed as stated above. The Trustees are confident that in exercising their duties, they have full regard to the requirements of the Charity Commission concerning public benefit.

Financial Performance

Bearing in mind the current economic uncertainty arising as a result of the COVID pandemic, the Trustees are pleased with the performance of the various investments made by the Charity during this financial year, and are hopeful that the diversity of these investments will provide a good return in years to come for public benefit. No payment has been made to the Trustees for services or expenses. The only expenses paid by the Charity have been in respect of professional costs and investment advice. Full details of the financial results for the year ended 5 April 2021 are shown in the Accounts.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1165540

Registered office

Monkstone House
Main Street
Mowsley
Lutterworth
Leicestershire
LE17 6NU

THE HEARTH FOUNDATION

**REPORT OF THE TRUSTEES
for the year ended 5 April 2021**

Trustees

M Bosworth Chairman
Mrs V M Bosworth
C M Bosworth
Mrs J P M Bosworth
S Bosworth
Mrs H E Bosworth

The Trustees do not currently intend to seek further funding for the Charity, and are confident that the present Board have a sufficient range of skills for its operation. Consequently, no further appointments are currently envisaged.

Independent Examiner

Mark Ashfield BA FCA
Harrison Beale & Owen Limited
Chartered Accountants
Highdown House
11 Highdown Road
Leamington Spa
Warwickshire
CV31 1XT

Advisers

Legal

Lodders Solicitors,
Stratford-upon-Avon

Property

Harris Lamb Chartered Surveyors,
Birmingham

Investment

Brewin Dolphin,
Birmingham

Fairstone Financial Management Limited,
Kibworth Leicester

Approved by order of the board of trustees on 06 January 2022 and signed on its behalf by:

.....
M Bosworth - Trustee

THE HEARTH FOUNDATION

**STATEMENT OF TRUSTEES RESPONSIBILITIES
for the year ended 5 April 2021**

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales, the Charities Act 2011, the applicable Charity (Accounts and Reports) Regulations and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and 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 business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charity (Accounts and Reports) Regulations and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 06 January 2022 and signed on its behalf by:

.....
M Bosworth - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
THE HEARTH FOUNDATION
for the year ended 5 April 2021**

Independent examiner's report to the trustees of The Hearth Foundation ('the charity')

I report to the charity trustees on my examination of the accounts of the charity for the year ended 5 April 2021.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011('the 2011 act').

I report in respect of my examination of your charity's accounts as carried out under section 145 of the 2011 Act and in carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with 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 accounts to be reached

Mark Ashfield BA FCA
Harrison Beale & Owen Limited
Chartered Accountants
Highdown House
11 Highdown Road
Leamington Spa
Warwickshire
CV31 1XT

Date: 06 January 2022

THE HEARTH FOUNDATION

**STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 5 April 2021**

	Notes	2021 Unrestricted fund £	2020 Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies		-	30
Investment income	3	117,408	136,356
Other income	4	<u>(1,675)</u>	<u>44,604</u>
Total		115,733	180,990
 EXPENDITURE ON			
Raising funds	5	25,775	28,267
 Charitable activities			
Donations	6	86,153	88,761
Property fees		522	592
Other		<u>2,225</u>	<u>2,375</u>
Total		114,675	119,995
Net gains/(losses) on investments		<u>387,749</u>	<u>(294,494)</u>
NET INCOME/(EXPENDITURE)		388,807	(233,499)
 RECONCILIATION OF FUNDS			
Total funds brought forward		2,515,318	2,748,817
TOTAL FUNDS CARRIED FORWARD		<u>2,904,125</u>	<u>2,515,318</u>

The notes form part of these financial statements

THE HEARTH FOUNDATION

BALANCE SHEET
5 April 2021

	Notes	2021 Unrestricted fund £	2020 Total funds £
FIXED ASSETS			
Investments			
Investments	13	1,405,141	1,031,557
Investment property	14	<u>1,311,859</u>	<u>1,311,859</u>
		2,717,000	2,343,416
 CURRENT ASSETS			
Debtors	15	53,838	30,707
Cash at bank		<u>165,832</u>	<u>143,973</u>
		219,670	174,680
 CREDITORS			
Amounts falling due within one year	16	(32,545)	(2,778)
		<hr/>	<hr/>
NET CURRENT ASSETS		<u>187,125</u>	<u>171,902</u>
 TOTAL ASSETS LESS CURRENT LIABILITIES		 <u>2,904,125</u>	 <u>2,515,318</u>
 NET ASSETS		 <u>2,904,125</u>	 <u>2,515,318</u>
 FUNDS			
Unrestricted funds	17	<u>2,904,125</u>	<u>2,515,318</u>
 TOTAL FUNDS		 <u>2,904,125</u>	 <u>2,515,318</u>

The notes form part of these financial statements

continued...

THE HEARTH FOUNDATION

BALANCE SHEET - continued

5 April 2021

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 5 April 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 5 April 2021 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The financial statements were approved by the Board of Trustees and authorised for issue on 06 January 2022 and were signed on its behalf by:

.....
M Bosworth - Trustee

THE HEARTH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS for the year ended 5 April 2021

1. GENERAL INFORMATION

The charity was incorporated under the Charitable Incorporated Organisations (General) Regulations 2012 on 11 February 2016. The charity's registered number and registered office address can be found on the Report of the Trustees.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, 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 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

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.

Investment income is recognised on a receivable basis.

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.

Irrecoverable VAT

There is currently no requirement to restrict any VAT through the VAT returns of The Hearth Foundation as the expenditure it incurs relates wholly to the commercial properties which are all subject to an option to tax and therefore VAT is charged on rents and related service charges.

It is noted that there is a very small amount of exempt income arising from the quarterly service charge invoiced to the occupants of the residential flats which have been sold. It is considered that any VAT incurred in respect of this element would be fully recoverable under the rules for partial exemption.

Grants

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.

Allocation and apportionment of costs

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

All costs are allocated between the expenditure categories of the SoFA on a basis designed to reflect the use of the resource. Directly attributable costs are allocated by resource, with the balance of expenditure allocated according to the proportion of trustee involvement with each resource.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Charity and include the audit fees and costs linked to the strategic management of the Charity.

continued...

THE HEARTH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 5 April 2021

2. ACCOUNTING POLICIES - continued

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in market value is recognised in 'net gains/(losses) on investments' in the SoFA.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives.

Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains/(losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

Financial Instruments

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment.

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement.

Debtors

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

Creditors and provisions

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

3. INVESTMENT INCOME

	2021	2020
	£	£
Rents received	92,947	96,045
Investment income	24,317	39,771
Deposit account interest	<u>144</u>	<u>540</u>
	<u>117,408</u>	<u>136,356</u>

continued...

THE HEARTH FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 5 April 2021**

4. OTHER INCOME		2021	2020
		£	£
Profit/(loss) on sale of investment		<u>(1,675)</u>	<u>44,604</u>
5. RAISING FUNDS			
Investment management costs		2021	2020
		£	£
Portfolio management		15,661	15,644
Insurance		2,484	2,406
Maintenance charges		<u>7,630</u>	<u>10,217</u>
		<u>28,105</u>	<u>28,267</u>
6. CHARITABLE ACTIVITIES COSTS			
	Direct	Grant	
	Costs	funding of	
	£	(see note 7)	Totals
		£	£
Donations	3,153	83,000	86,153
Property fees	<u>522</u>	<u>-</u>	<u>522</u>
	<u>3,675</u>	<u>83,000</u>	<u>86,675</u>
7. GRANTS PAYABLE		2021	2020
		£	£
Donations		<u>83,000</u>	<u>86,537</u>

continued...

THE HEARTH FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 5 April 2021**

8. SUPPORT COSTS

	Governance costs £ <u>2,225</u>
Other resources expended	

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

Governance costs

	2021	2020
	Other resources expended	Total activities
	£	£
Accountancy and legal fees	<u>2,225</u>	<u>2,375</u>

9. NET INCOME/(EXPENDITURE)

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

	2021	2020
	£	£
Surplus on disposal of fixed assets	<u>1,675</u>	<u>(44,604)</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 5 April 2021 nor for the year ended 5 April 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 5 April 2021 nor for the year ended 5 April 2020.

11. STAFF COSTS

There were no staff costs for the year ended 5 April 2021 nor the year ended 5 April 2020.

continued...

THE HEARTH FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 5 April 2021**

12.	COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES	Unrestricted fund £
	INCOME AND ENDOWMENTS FROM	
	Donations and legacies	30
	Investment income	136,356
	Other income	<u>44,604</u>
	Total	180,990
	 EXPENDITURE ON	
	Raising funds	28,267
	Charitable activities	
	Donations	88,761
	Property fees	592
	Other	<u>2,375</u>
	Total	119,995
	Net gains on investments	<u>(294,494)</u>
	NET INCOME	(233,499)
	 RECONCILIATION OF FUNDS	
	Total funds brought forward	2,748,817
	 TOTAL FUNDS CARRIED FORWARD	<u><u>2,515,318</u></u>
13.	FIXED ASSET INVESTMENTS	Listed investments £
	MARKET VALUE	
	At 6 April 2020	1,031,557
	Additions	738,567
	Disposals	(752,732)
	Revaluations	<u>387,749</u>
	At 5 April 2021	<u>1,405,141</u>
	NET BOOK VALUE	
	At 5 April 2021	<u><u>1,405,141</u></u>
	At 5 April 2020	1,031,557

continued...

THE HEARTH FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 5 April 2021**

13. FIXED ASSET INVESTMENTS - continued

Fixed asset investments comprise a portfolio of listed investments and funds managed by Brewin Dolphin and Fairstone Financial Management on behalf of the charity. The funds are valued on a regular basis by the investment managers with reference to current market prices.

14. INVESTMENT PROPERTY

FAIR VALUE

At 6 April 2020
and 5 April 2021

£

1,311,859

NET BOOK VALUE

At 5 April 2021

1,311,859

At 5 April 2020

1,311,859

The trustees consider the cost of the investment to equate to market value.

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade debtors	52,338	30,707
VAT	<u>1,500</u>	-
	<u>53,838</u>	<u>30,707</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
VAT	-	878
Other creditors	28,962	-
Accruals and deferred income	<u>3,583</u>	<u>1,900</u>
	<u>32,545</u>	<u>2,778</u>

17. MOVEMENT IN FUNDS

	At 6.4.20	Net movement in funds	At 5.4.21
	£	£	£
Unrestricted funds			
General fund	2,515,318	388,807	2,904,125
	<u>2,515,318</u>	<u>388,807</u>	<u>2,904,125</u>
TOTAL FUNDS	<u>2,515,318</u>	<u>388,807</u>	<u>2,904,125</u>

continued...

THE HEARTH FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 5 April 2021**

17. 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 £
Unrestricted funds				
General fund	115,733	(114,675)	387,749	388,807
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>115,733</u>	<u>(114,675)</u>	<u>387,749</u>	<u>388,807</u>

Comparatives for movement in funds

	At 6.4.19 £	Net movement in funds £	At 5.4.20 £
Unrestricted funds			
General fund	2,748,817	(233,499)	2,515,318
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>2,748,817</u>	<u>(233,499)</u>	<u>2,515,318</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	180,990	(119,995)	(294,494)	(233,499)
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>180,990</u>	<u>(119,995)</u>	<u>(294,494)</u>	<u>(233,499)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 6.4.19 £	Net movement in funds £	At 5.4.21 £
Unrestricted funds			
General fund	2,748,817	155,308	2,904,125
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>2,748,817</u>	<u>155,308</u>	<u>2,904,125</u>

continued...

THE HEARTH FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 5 April 2021**

17. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	296,723	(234,670)	93,255	155,308
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>296,723</u>	<u>(234,670)</u>	<u>93,255</u>	<u>155,308</u>

18. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 5 April 2021.