

iheart Principles Limited
Company Limited by Guarantee
Financial Statements
30 June 2023

HICKS AND COMPANY

Chartered Accountants
Vaughan Chambers
Vaughan Road
Harpenden
AL5 4EE

iheart Principles Limited
Company Limited by Guarantee
Financial Statements
Year ended 30 June 2023

	Page
Trustees' annual report (incorporating the director's report)	1
Independent examiner's report to the trustees	6
Statement of financial activities (including income and expenditure account)	7
Statement of financial position	8
Statement of cash flows	9
Notes to the financial statements	10

iheart Principles Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 30 June 2023

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 30 June 2023.

Reference and administrative details

Registered charity name iheart Principles Limited

**Charity Commission for
England and Wales registration
number** 1173025

Company registration number 10415309

Principal office Suite 2
3 Sunny Place
London
NW4 1RS

Registered office Vaughan Chambers
Vaughan Road
Harpenden
AL5 4EE

The trustees	D L Arenson J C Bull I C Garner-Patel A S Kessel	Resigned 5 July 2022
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Independent examiner Hicks and Company
Chartered Accountants
Vaughan Chambers
Vaughan Road
Harpenden
AL5 4EE

Bank Metro Bank

iheart Principles Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 30 June 2023

Structure, governance and management

The charity is a company limited by guarantee and is governed by its articles and memorandum of association.

The trustees, who are also the directors for the purpose of company law, and who served during the period and up to the date of the signature of the financial statements were:

- Dana Lisa Arenson (Resigned 5 July 2022)
- Julian Christopher Bull
- Ila Caroline Garner-Patel (Chair of Trustees)
- Anthony Stephen Kessel

In keeping with the rotational nature of the charity's Trustee Board, the current trustees have announced their intention to step down on 15 May 2024. New trustees have been identified and will shortly begin the induction and onboarding process.

iheart recruit and appoint trustees as required. The charity aims to have a minimum of 3 trustees at any given time. If the need for a new trustee appointment arises, the current leadership team (including the charity's founders) and trustees will recommend suitable candidates at the next trustee meeting. Prospective trustees are assessed based upon their commitment to the core purpose of the charity and the mental health education philosophy which underpins the charity's work, as well as other experience, skills and value they bring.

All new trustees are encouraged to attend one of the iheart courses in order to gain a better understanding of the core purpose of the charity and the approach we take.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of winding up.

The affairs of the charity are governed by the Board of Trustees. They are responsible, with the support of the CEO and senior management team, for setting the strategic direction of the charity, consideration of reserves, risk management, performance review and affirming general organisational policy.

iheart carries out quarterly Trustee meetings which are also attended by representatives from the leadership team (Brian Rubenstein and Terry Rubenstein). Other meetings occur on an ad hoc basis as required. The strategic direction and key decisions are discussed and debated and then presented and agreed with the Trustees in the quarterly Trustee meetings.

Objectives and activities

The purpose of iheart is to relieve ill mental health and to promote and protect good mental health through the provision of courses and workshops in the subjects of resilience and the principles of innate health.

The main activity undertaken in relation to the purposes is the educating of young people through prevention-based programmes in mental health education, wellbeing and resilience with a focus on young people aged 9-18 years. The accredited iheart resilience training delivers programmes in schools and other youth settings, and offers facilitator training in the iheart curriculum to teachers.

iheart Principles Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 30 June 2023

The core objective of the charity is achieved by maximising the delivery of our programme. The strategies in place to achieve this are:

- 1) Training facilitators to deliver the programme to young people in schools, youth groups, private groups, etc.
- 2) The core iheart team delivering the programme to young people in schools through applying for grants and fundraising.
- 3) Utilising technology to further increase reach. This includes the development of digital programmes that can be delivered without facilitator input.

The trustees have paid due regard to guidance issues by the Charity Commission in deciding what activities the charity should undertake and consider that the activities of the charity have been for the public benefit.

iheart has identified the following key objectives over the next 12 months: Primarily we are looking at how we can deliver our programmes to a targeted number of young people in schools, research and experience has shown clearly that digital platforms are the best way for us to do this. This enables us to reach more young people whilst costing less in facilitated delivery costs. In order to achieve this, we are carrying out the following activities;

1. Continue to distribute our digital product for school delivery – ignite
2. Develop key strategic partnerships. We are talking to several partners, including other charities and public sector organisations
3. iheart is applying for grants to enable the above to take place, whilst managing existing multi-year grants and donor relationships.

Achievements and performance

During this period iheart has continued to deliver programmes to young people in schools, other youth settings, and private groups, accelerated by the availability of the new ignite digital resilience and wellbeing programme. This year saw some of the schools undertake in-house training so that their staff could be trained and supported by iheart. This is a significant step as it enables iheart to become embedded and sustainable within the school's own system.

The continued and successful roll-out of the ignite digital programme to children aged 9-13, which does not need facilitation or training for teachers, is an important development. The short, impactful programme was designed to solve the problem of lack of timetable capacity in schools for the full curriculum programme. To date, the programme has reached over 3,500 children.

The iheart training academy graduated another 75 facilitators from around the world who became certified iheart facilitators.

iheart continues in its mission to sustainably support young people by also educating and supporting the adults around them by offering training programmes to reach teachers in schools where feasible.

iheart sets out clearly defined fundraising activities and financial targets as part of its overall budgeting each year. The financial affairs of the charity are reviewed at the Trustee meetings.

We carried out our annual successful crowd and match fundraising campaign in March 2023 which proved vital given the tougher climate that we experienced around the availability of grant funding during this financial year.

iheart Principles Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 30 June 2023

Financial review

For the period ended 30 June 2023 total income was £975,875. Of this figure, £696,242 was received as donations and grants and £278,110 was received from charitable activities. A further £1,523 was received as investment and other income.

Total unrestricted funds carried forward are £183,725. These funds will be used to deliver programmes in line with the charity's objectives.

iheart carries out monthly financial governance meetings attended by Brian Rubenstein (CEO) and Ila Garner-Patel (Chair of Trustees). All financial matters are discussed including risks to the charity and key strategies to manage and mitigate these.

The broader fundraising environment has proven extremely challenging over the past 12 months and particularly over the past 8 months since the financial year end. We have seen that this is true across the charity sector and is not unique to our organisation. In response, and in order to ensure iheart remains a going concern, iheart has reduced its expenditure to correlate with reduced fundraising income, particularly from grant-makers (trusts and foundations). The trustees and management team have implemented this strategy by deciding not to replace departing staff members, consolidating positions/roles and removing other non-essential operating costs wherever possible. The organisation has also elected not to create any new programmes for the time being.

Additionally, the three most senior members of the management team took voluntary pay cuts of 50% from September 2023 in order to help reduce costs. Finally, we have narrowed the focus of the charity to the primary activity of delivering programmes in schools and other educational institutions. All other activities (e.g. facilitator training for adults; podcast, etc) which are deemed 'non-core', have been discontinued, thereby contributing to cost reductions and ensuring that funds raised are used for the primary purpose of the charity, namely wellbeing and resilience programmes in schools.

Despite the above cost reduction measures, the trustees remain uncertain as to the charity's ability to continue as a going concern due to the potential difficulties in obtaining grant income.

Based on the decision taken by the trustees and the management team to scale back the charity's activities, significantly reduce costs and re-focus efforts solely on delivering programmes to young people in schools, and having received recent confirmation of successful grant awards which have improved the charity's financial prospects, the trustees expect that the charity will be able to meet its more limited objectives and continue as a going concern. These accounts have therefore been prepared on a going concern basis.

If the charity were to be wound up, the trustees estimate that the additional costs involved would be approximately £12,500 to cover redundancy costs for current employees and to satisfy existing lease commitments. There would also be a write down of approximately £6,000 to fixed assets to their recoverable value.

Reserves policy

The charity aims to hold sufficient funds in reserves to cover its short-term operating costs along with any funds which have been allocated to designated funds.

iheart Principles Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 30 June 2023

Trustees' responsibilities statement

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

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

In preparing these financial statements, the trustees are required to:

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

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

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

The trustees' annual report was approved on 25 April 2024 and signed on behalf of the board of trustees by:

Ila Garner-Patel

Ila Garner-Patel
Chair of Trustees

iheart Principles Limited

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of iheart Principles Limited

Year ended 30 June 2023

Independent examiner's report to the trustees of iheart Principles Limited ('the Company')

I report to the trustees on my examination of the financial statements of iheart Principles Limited for the year ended 30 June 2023, which are set out on Pages 7 to 18.

Responsibilities and basis of report

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

Having satisfied myself that the financial statements of the Company are not required to be audited and are eligible for independent examination, I report in respect of my examination of your charity's financial statements as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the applicable 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 material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

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

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



Philip Dean FCA
Hicks and Company
Chartered Accountants
Vaughan Chambers
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AL5 4EE

25 April 2024

iheart Principles Limited

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 30 June 2023

		Year to 30 Jun 23			Year to 30 Jun 22
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Income and endowments					
Donations and legacies	5	591,716	104,526	696,242	568,636
Charitable activities	6	278,110	-	278,110	415,776
Other income	7	1,235	-	1,235	8,097
Investment income		288	-	288	-
Total income		<u>871,349</u>	<u>104,526</u>	<u>975,875</u>	<u>992,509</u>
Expenditure					
Expenditure on raising funds	8	12,982	-	12,982	50,964
Expenditure on charitable activities	9, 10	826,807	104,526	931,333	1,042,435
Total expenditure		<u>839,789</u>	<u>104,526</u>	<u>944,315</u>	<u>1,093,399</u>
Net income/(expenditures) and net movement in funds		<u>31,560</u>	<u>-</u>	<u>31,560</u>	<u>(100,890)</u>
Reconciliation of funds					
Total funds brought forward		152,165	-	152,165	253,055
Total funds carried forward		<u>183,725</u>	<u>-</u>	<u>183,725</u>	<u>152,165</u>

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

iheart Principles Limited
Company Limited by Guarantee
Statement of Financial Position
30 June 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible fixed assets	16	6,802	6,041
		<u>6,802</u>	<u>6,041</u>
Current assets			
Debtors	17	98,788	60,026
Cash at bank and in hand		142,260	277,465
		<u>241,048</u>	<u>337,491</u>
Creditors: amounts falling due within one year	18	64,125	191,367
Net current assets		<u>176,923</u>	<u>146,124</u>
Total assets less current liabilities		<u>183,725</u>	<u>152,165</u>
Net assets		<u>183,725</u>	<u>152,165</u>
Funds of the charity			
Unrestricted funds		183,725	152,165
Total charity funds	21	<u>183,725</u>	<u>152,165</u>

The charitable company is entitled to exemption from audit under section 477 of the Companies Act 2006 for the year ended 30 June 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 June 2023 in accordance with section 476 of the Companies Act 2006.

The Trustees acknowledge their responsibilities for:

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- 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.

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

These financial statements were approved by the board of trustees and authorised for issue on 25 April 2024, and are signed on behalf of the board by:

Ila Garner-Patel

Ila Garner-Patel
Chair of Trustees

Company registration number: 10415309

iheart Principles Limited

Company Limited by Guarantee

Statement of Cash Flows

Year ended 30 June 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net income/(expenditure)		31,560	(100,890)
<i>Adjustments for:</i>			
Depreciation of tangible fixed assets		2,059	1,453
Accrued expenses		2,356	(560)
<i>Changes in:</i>			
Trade and other debtors		(38,762)	(13,327)
Trade and other creditors		(129,598)	159,086
Cash generated from/(expended on) operations		(132,385)	45,762
Net cash (used)/generated from operating activities		(132,385)	45,762
Cash flows from investing activities			
Purchase of tangible assets		(2,820)	(6,202)
Net cash used in investing activities		(2,820)	(6,202)
Net (decrease)/increase in cash and cash equivalents		(135,205)	39,560
Cash and cash equivalents at beginning of year		277,465	237,905
Cash and cash equivalents at end of year	22	142,260	277,465

iheart Principles Limited

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 30 June 2023

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Vaughan Chambers, Vaughan Road, Harpenden, AL5 4EE.

2. Statement of compliance

These financial statements have been prepared in compliance with the Companies Act 2006, the Charities Act 2011, the Charities Statement of Recommended Practice (FRS 102), and FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

3. Accounting policies Basis of preparation

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

Going concern

The broader fundraising environment has proven extremely challenging over the past 12 months and particularly over the past 8 months since the financial year end. We have seen that this is true across the charity sector and is not unique to our organisation. In response, and in order to ensure iheart remains a going concern, iheart has reduced its expenditure to correlate with reduced fundraising income, particularly from grant-makers (trusts and foundations). The trustees and management team have implemented this strategy by deciding not to replace departing staff members, consolidating positions/roles and removing other non-essential operating costs wherever possible. The organisation has also elected not to create any new programmes for the time being.

Additionally, the three most senior members of the management team took voluntary pay cuts of 50% from September 2023 in order to help reduce costs. Finally, we have narrowed the focus of the charity to the primary activity of delivering programmes in schools and other educational institutions. All other activities (e.g. facilitator training for adults; podcast, etc) which are deemed 'non-core', have been discontinued, thereby contributing to cost reductions and ensuring that funds raised are used for the primary purpose of the charity, namely wellbeing and resilience programmes in schools.

Despite the above cost reduction measures, the trustees remain uncertain as to the charity's ability to continue as a going concern due to the potential difficulties in obtaining grant income.

Based on the decision taken by the trustees and the management team to scale back the charity's activities, significantly reduce costs and re-focus efforts solely on delivering programmes to young people in schools, and having received recent confirmation of successful grant awards which have improved the charity's financial prospects, the trustees expect that the charity will be able to meet its more limited objectives and continue as a going concern. These accounts have therefore been prepared on a going concern basis.

If the charity were to be wound up, the trustees estimate that the additional costs involved would be approximately £12,500 to cover redundancy costs for current employees and to satisfy existing lease commitments. There would also be a write down of approximately £6,000 to fixed assets to their recoverable value.

iheart Principles Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 June 2023

3. Accounting policies *(continued)*

Taxation

The Charity is a registered charity and as such is entitled to certain tax exemptions on income and profits from investments and surpluses on any trading activities carried on in furtherance of the charity's primary objectives.

Judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes. Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

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

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

iheart Principles Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 June 2023

3. Accounting policies *(continued)*

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Plant and machinery	- 25% straight line
Computer equipment	- 25% to 50% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

iheart Principles Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 June 2023

3. Accounting policies *(continued)*

Impairment of fixed assets

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs. Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted. Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

iheart Principles Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 June 2023

4. Limited by guarantee

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Donations			
Donations and gifts	309,324	-	309,324
Grants			
Grants receivable	282,392	104,526	386,918
	<u>591,716</u>	<u>104,526</u>	<u>696,242</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Donations			
Donations and gifts	455,798	-	455,798
Grants			
Grants receivable	45,770	67,068	112,838
	<u>501,568</u>	<u>67,068</u>	<u>568,636</u>

6. Charitable activities

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
iheart	<u>278,110</u>	<u>278,110</u>	<u>415,776</u>	<u>415,776</u>

7. Other income

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Royalties	235	235	285	285
Stock sales	-	-	42	42
Rental income	-	-	7,770	7,770
Presentation income	1,000	1,000	-	-
	<u>1,235</u>	<u>1,235</u>	<u>8,097</u>	<u>8,097</u>

iheart Principles Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 June 2023

8. Costs of raising donations and legacies

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Fundraising campaign costs	12,982	12,982	50,964	50,964

9. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
iheart	2,296	104,526	106,822
Support costs	824,511	-	824,511
	<u>826,807</u>	<u>104,526</u>	<u>931,333</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
iheart	241,179	67,068	308,247
Support costs	734,188	-	734,188
	<u>975,367</u>	<u>67,068</u>	<u>1,042,435</u>

10. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2023 £	Total fund 2022 £
iheart	113,585	814,388	927,973	1,037,635
Governance costs	-	3,360	3,360	4,800
	<u>113,585</u>	<u>817,748</u>	<u>931,333</u>	<u>1,042,435</u>

11. Analysis of support costs

	Support costs £	Total 2023 £	Total 2022 £
Staff costs	532,649	532,649	456,066
Contractors and consultants	153,051	153,051	131,984
Office support costs	127,401	127,401	128,620
Governance costs	3,360	3,360	4,800
Accountancy support costs	2,630	2,630	4,447
Bank fees and charges	5,420	5,420	8,271
	<u>824,511</u>	<u>824,511</u>	<u>734,188</u>

iheart Principles Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 June 2023

12. Net income

Net income is stated after charging/(crediting):

	2023	2022
	£	£
Depreciation of tangible fixed assets	<u>2,059</u>	<u>1,453</u>

13. Independent examination fees/auditors' remuneration

	Year to 2023	Year to 2022
	£	£
Fees payable to the independent examiner for:		
Independent examination of the financial statements	3,360	-
Audit of the financial statements	<u>-</u>	<u>4,800</u>

14. Staff costs

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

	2023	2022
	£	£
Wages and salaries	467,897	471,444
Social security costs	51,505	50,966
Employer contributions to pension plans	7,995	7,826
Other staff costs	<u>5,252</u>	<u>5,031</u>
	<u>532,649</u>	<u>535,267</u>

The average head count of employees under employment contracts during the year was 9 (2022: 9).

In the year to 30 June 2023, 4 (2022: 3) employees received employee benefits in excess of £60,000. The number of employees fell into the following bands:

	2023 number	2022 number
£60,000 to £64,999	1	-
£70,000 to £74,999	1	-
£80,000 to £84,999	1	1
£85,000 to £89,999	-	1
£95,000 to £99,999	1	-
£100,000 to £104,999	-	1

The total employee benefits of key management personnel for the charity were £381,792 (2022: £274,500).

15. Trustees

None of the trustees received any remuneration for their services as trustees. The aggregate of donations from related trustees to the charity totalled £15,000 (2022: £25,000).

iheart Principles Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 June 2023

16. Tangible fixed assets

	Plant and machinery £	Computer equipment £	Total £
Cost			
At 1 July 2022	6,159	7,567	13,726
Additions	-	2,820	2,820
At 30 June 2023	<u>6,159</u>	<u>10,387</u>	<u>16,546</u>
Depreciation			
At 1 July 2022	5,785	1,900	7,685
Charge for the year	98	1,961	2,059
At 30 June 2023	<u>5,883</u>	<u>3,861</u>	<u>9,744</u>
Carrying amount			
At 30 June 2023	<u>276</u>	<u>6,526</u>	<u>6,802</u>
At 30 June 2022	<u>374</u>	<u>5,667</u>	<u>6,041</u>

17. Debtors

	2023 £	2022 £
Trade debtors	59,955	56,448
Prepayments and accrued income	1,808	1,597
Other debtors	37,025	1,981
	<u>98,788</u>	<u>60,026</u>

18. Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	896	1,125
Accruals and deferred income	46,281	169,962
Social security and other taxes	15,449	18,659
Other creditors	1,499	1,621
	<u>64,125</u>	<u>191,367</u>

19. Deferred income

	2023 £	2022 £
Amount deferred in year	<u>35,000</u>	<u>161,037</u>

iheart Principles Limited

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 30 June 2023

20. Pensions and other post-retirement benefits

Defined contribution plans

The amount recognised in income and expenditure as an expense in relation to defined contribution plans was £7,995 (2022: £7,826).

21. Analysis of charitable funds

Unrestricted funds

	At 1 July 2022	Income	Expenditure	At 30 June 2023
	£	£	£	£
General funds	152,165	871,348	(839,788)	183,725

	At 1 July 2021	Income	Expenditure	At 30 June 2022
	£	£	£	£
General funds	253,055	925,441	(1,026,331)	152,165

Restricted funds

	At 1 July 2022	Income	Expenditure	At 30 June 2023
	£	£	£	£
Grants received	-	104,527	(104,527)	-

	At 1 July 2021	Income	Expenditure	At 30 June 2022
	£	£	£	£
Grants received	-	67,068	(67,068)	-

22. Analysis of changes in net cash

	At 1 July 2022	Cash flows	At 30 June 2023
	£	£	£
Cash at bank and in hand	277,465	(135,205)	142,260

23. Related parties

At 30 June 2023 Jeremy Bogush owed the charity £728 (2022: £1,858 which was fully repaid in February 2023) and Brian Rubenstein owed the charity £28 (2022: £nil) which was full repaid in March 2024.

The charity considers these individuals to be related parties to the charity as they are former trustees of the charity.

During the year, the charity recharged expenses of £4,668 (2022: £nil) and passed income of £52,500 (2022: £nil) to Resilimy Ltd, a company that Brian Rubenstein and Terry Rubenstein are shareholders in and directors of. At 30 June 2023 the balance due from Resilimy Ltd to iheart Principles Ltd was £1,268 (2022: £nil).