

**Report of the Trustees and
Financial Statements for the Year Ended 31 March 2021
for
London Hearts
(Charitable Incorporated Organisation)**

DHB Accountants Limited
Chartered Accountants
Statutory Auditors
110 Whitchurch Road
Cardiff
CF14 3LY

London Hearts
(Charitable Incorporated Organisation)

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for the Year Ended 31 March 2021

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London Hearts
(Charitable Incorporated Organisation)

Report of the Trustees
for the Year Ended 31 March 2021

The trustees present their report with the financial statements of the charity for the year ended 31 March 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 2019)

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objectives of the charity are the relief of sickness and the preservation of health for the public benefit amongst people residing in the UK by providing a network of defibrillators throughout the area, provision of CPR training and enhancing public awareness around Cardiac health and associated conditions.

Significant activities

In order to achieve its objectives the charity undertakes various fund raising activities and receives donations and grant funding where successful applications have been made. More information is available from the charities website www.londonhearts.org , the contents of that site do not form part of these financial statements.

Public benefit

In shaping the objectives for the year and planning its activities, the trustees have considered the Charity Commission guidance on public benefit. The charity gives careful consideration to ensuring its activities are accessible to all eligible users from all aspects of the community.

Volunteers

In common with many charities it would be difficult to operate without the support of unpaid volunteers. During the period covered by these financial statements the trustees estimate that the charity has benefited from the support of up to five unpaid volunteers for which the charity is very grateful.

ACHIEVEMENT AND PERFORMANCE

The charity, since incorporation, has raised its profile and placed a considerable number of defibrillators in the community as more fully described in its website.

FINANCIAL REVIEW

Financial position

The operations of the charity have been impacted by the effects of the global pandemic COVID 19 but as a result of procedures put in place by the trustees it has managed to operate to a satisfactory level.

The charity achieved a surplus of £41,867 on the year and as at 31 March 2021 had total funds of £45,742. The trustees are pleased with the results and the current position of London Hearts.

The trustees confirm that there are no funds that have been restricted as to use.

Reserves policy

The trustees have considered the requirements for reserves in the charity, such review encompassing the nature of income and expenditure streams and the need to match variable income with fixed commitments and the scale of reserves required.

The trustees are aware of the need to continually monitor reserves but are satisfied that the charity will be able to meet its obligations as they fall due out of available resources.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The legal form of the charity is that of Charitable Incorporated Organization (CIO) which is subject to its governing document, its constitution, which came into effect from the date of registration as a charity on 29 November 2018.

**London Hearts
(Charitable Incorporated Organisation)**

**Report of the Trustees
for the Year Ended 31 March 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees

The appointed trustees actively encourage and seek to identify appropriate persons to join the CIO as trustees. On appointment each new trustee is provided with a copy of the constitution and the CIO's latest available Trustees Annual Report and accounts. Appropriate training and induction is provided to enable any new trustee to fulfill their duties.

Organisational structure

The charity trustees manage the affairs of the CIO in accordance with their powers as set out in the constitution document. There must at all times be at least three charity trustees with a maximum number of 12. Apart from the first charity trustees every trustee is appointed for a term of three years after meeting criteria set out in the constitution.

The trustees meet regularly to discuss all aspects of the affairs of the CIO.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The trustees review such risks on a regular basis in line with its adopted risk management policies.

The risks presented to the charity by BREXIT and the impact of the ongoing global pandemic COVID 19 have been assessed and an action plan implemented by the trustees that they believe protects the affairs of the charity and that no adverse financial effect of these events is expected.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1180901

Principal address

215 - 221 Borough High Street
London
SE1 1JA

Trustees

J Hockett
G Farrow
T Harrison
N Lloyd

Independent Examiner

Stephen Horrigan FCA, CTA
Institute of Chartered Accountants in England & Wales
DHB Accountants Limited
Chartered Accountants
Statutory Auditors
110 Whitchurch Road
Cardiff
CF14 3LY

COMMENCEMENT OF ACTIVITIES

The charity was incorporated as a Charitable Incorporated Organisation on 29 November 2018.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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).

London Hearts
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Report of the Trustees
for the Year Ended 31 March 2021

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 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 Charity (Accounts and Reports) Regulations 2008 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.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website.

Approved by order of the board of trustees on 15 July 2021 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'N Lloyd', is written over a horizontal line.

N Lloyd - Trustee

**Independent Examiner's Report to the Trustees of
London Hearts
(Charitable Incorporated Organisation)**

Independent examiner's report to the trustees of London Hearts (Charitable Incorporated Organisation)

I report to the charity trustees on my examination of the accounts of London Hearts (Charitable Incorporated Organisation) (the Trust) for the year ended 31 March 2021.

Responsibilities and basis of report

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

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

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of Institute of Chartered Accountants in England & Wales which is one of the listed bodies.

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

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

Stephen Horrigan FCA, CTA
Institute of Chartered Accountants in England & Wales
DHB Accountants Limited
Chartered Accountants
Statutory Auditors
110 Whitchurch Road
Cardiff
CF14 3LY

15 July 2021

London Hearts
(Charitable Incorporated Organisation)

Statement of Financial Activities
for the Year Ended 31 March 2021

		Year ended 31/3/21 Unrestricted fund £	Period 29/11/18 to 31/3/20 Total funds £
INCOME AND ENDOWMENTS FROM	Notes		
Donations and legacies	3	387,459	370,919
Other trading activities	4	431,160	-
Total		818,619	370,919
 EXPENDITURE ON			
Raising funds	5	7,741	13,065
Charitable activities	6		
Defibrillators & Training		667,058	254,442
Other		101,953	99,537
Total		776,752	367,044
 NET INCOME		41,867	3,875
 RECONCILIATION OF FUNDS			
Total funds brought forward		3,875	-
 TOTAL FUNDS CARRIED FORWARD		45,742	3,875

The notes form part of these financial statements

London Hearts
(Charitable Incorporated Organisation)

Balance Sheet
31 March 2021

	Notes	2021 Unrestricted fund £	2020 Total funds £
FIXED ASSETS			
Tangible assets	11	107,086	122,388
CURRENT ASSETS			
Stocks	12	122,252	55,518
Debtors	13	2,170	7,271
Cash at bank		6,481	5,143
		<u>130,903</u>	<u>67,932</u>
CREDITORS			
Amounts falling due within one year	14	(111,783)	(86,061)
NET CURRENT ASSETS		<u>19,120</u>	<u>(18,129)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		126,206	104,259
CREDITORS			
Amounts falling due after more than one year	15	(80,464)	(100,384)
NET ASSETS		<u>45,742</u>	<u>3,875</u>
FUNDS	17		
Unrestricted funds		45,742	3,875
TOTAL FUNDS		<u>45,742</u>	<u>3,875</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 15 July 2021 and were signed on its behalf by:


N Lloyd - Trustee

London Hearts
(Charitable Incorporated Organisation)

Cash Flow Statement
for the Year Ended 31 March 2021

		Year ended 31/3/21 £	Period 29/11/18 to 31/3/20 £
	Notes		
Cash flows from operating activities			
Cash generated from operations	1	27,076	35,037
Interest paid		(5,818)	(3,715)
Net cash provided by operating activities		<u>21,258</u>	<u>31,322</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		-	(143,031)
Net cash provided by/(used in) investing activities		<u>-</u>	<u>(143,031)</u>
Cash flows from financing activities			
Capital repayments in year		(19,920)	116,852
Net cash (used in)/provided by financing activities		<u>(19,920)</u>	<u>116,852</u>
Change in cash and cash equivalents in the reporting period		<u>1,338</u>	<u>5,143</u>
Cash and cash equivalents at the beginning of the reporting period		<u>5,143</u>	<u>-</u>
Cash and cash equivalents at the end of the reporting period		<u><u>6,481</u></u>	<u><u>5,143</u></u>

The notes form part of these financial statements

London Hearts
(Charitable Incorporated Organisation)

Notes to the Cash Flow Statement
for the Year Ended 31 March 2021

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Year ended 31/3/21 £	Period 29/11/18 to 31/3/20 £
Net income for the reporting period (as per the Statement of Financial Activities)	41,867	3,875
Adjustments for:		
Depreciation charges	15,302	20,643
Interest paid	5,818	3,715
Increase in stocks	(66,734)	(55,518)
Decrease/(increase) in debtors	5,101	(7,271)
Increase in creditors	25,722	69,593
Net cash provided by operations	<u>27,076</u>	<u>35,037</u>

2. ANALYSIS OF CHANGES IN NET DEBT

	At 1/4/20 £	Cash flow £	At 31/3/21 £
Net cash			
Cash at bank	5,143	1,338	6,481
	<u>5,143</u>	<u>1,338</u>	<u>6,481</u>
Debt			
Finance leases	(116,852)	19,920	(96,932)
	<u>(116,852)</u>	<u>19,920</u>	<u>(96,932)</u>
Total	<u>(111,709)</u>	<u>21,258</u>	<u>(90,451)</u>

The notes form part of these financial statements

London Hearts
(Charitable Incorporated Organisation)

Notes to the Financial Statements
for the Year Ended 31 March 2021

1. GENERAL INFORMATION

London Hearts is a Charitable Incorporated Organisation (CIO) registered with and regulated by the Charity Commission in England & Wales. The address of the charity, its objectives and details of its trustees are provided in the Report of the Trustees included within these financial statements.

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 (FRS102) "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 February 2019), and the Charities Act 2011.

The financial statements are presented in pounds sterling which is the functional operating currency of the charity.

The financial statements have been prepared on a going concern basis. The trustees are of the view that this is entirely appropriate having reviewed future fund raising activities and having received confirmation of support from funders and are satisfied that the charity will be able to meet its obligations as they fall due for the foreseeable future.

Income

All income is recognized 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.

Grants received are recognized as income in the period of receipt unless conditions exist that suggest otherwise.

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.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Fixtures and fittings	- at varying rates on cost
Motor vehicles	- at varying rates on cost
Computer equipment	- at varying rates on cost

Fixed assets are stated at cost.

Stocks

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

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

London Hearts
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Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

2. ACCOUNTING POLICIES - continued

Fund accounting

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the Balance Sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is shorter.

The interest element of these obligations is charged to the Statement of Financial Activities over the relevant period. The capital element of the future payments is treated as a liability.

3. DONATIONS AND LEGACIES

	Year ended 31/3/21 £	Period 29/11/18 to 31/3/20 £
Donations	294,407	312,756
Gift aid	70,052	53,663
Grants	23,000	4,500
	<u>387,459</u>	<u>370,919</u>

Grants received, included in the above, are as follows:

	Year ended 31/3/21 £	Period 29/11/18 to 31/3/20 £
Other grants	23,000	4,500

4. OTHER TRADING ACTIVITIES

	Year ended 31/3/21 £	Period 29/11/18 to 31/3/20 £
Defib & Cabinet sales	431,160	-

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Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

5. RAISING FUNDS

Raising donations and legacies

	Year ended 31/3/21 £	Period 29/11/18 to 31/3/20 £
Advertising & Marketing	7,741	13,065
	<u>7,741</u>	<u>13,065</u>

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs £
Defibrillators & Training	667,058
	<u>667,058</u>

7. SUPPORT COSTS

	Management £	Human resources £	Governance costs £	Totals £
Other resources expended	68,351	31,602	2,000	101,953
	<u>68,351</u>	<u>31,602</u>	<u>2,000</u>	<u>101,953</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

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

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2021 nor for the period ended 31 March 2020.

9. STAFF COSTS

	Year ended 31/3/21 £	Period 29/11/18 to 31/3/20 £
Wages and salaries	5,988	6,973
	<u>5,988</u>	<u>6,973</u>

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

	Year ended 31/3/21	Period 29/11/18 to 31/3/20
Support & Administration staff	4	2
	<u>4</u>	<u>2</u>

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

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Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £
INCOME AND ENDOWMENTS FROM	
Donations and legacies	370,919
EXPENDITURE ON	
Raising funds	13,065
Charitable activities	
Defibrillators & Training	254,442
Other	99,537
Total	<u>367,044</u>
NET INCOME	<u>3,875</u>
TOTAL FUNDS CARRIED FORWARD	<u><u>3,875</u></u>

11. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1 April 2020 and 31 March 2021	<u>2,185</u>	<u>137,400</u>	<u>3,446</u>	<u>143,031</u>
DEPRECIATION				
At 1 April 2020	546	19,236	861	20,643
Charge for year	<u>546</u>	<u>14,110</u>	<u>646</u>	<u>15,302</u>
At 31 March 2021	<u>1,092</u>	<u>33,346</u>	<u>1,507</u>	<u>35,945</u>
NET BOOK VALUE				
At 31 March 2021	<u>1,093</u>	<u>104,054</u>	<u>1,939</u>	<u>107,086</u>
At 31 March 2020	<u><u>1,639</u></u>	<u><u>118,164</u></u>	<u><u>2,585</u></u>	<u><u>122,388</u></u>

London Hearts
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Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

11. TANGIBLE FIXED ASSETS - continued

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Motor vehicles £
COST	
At 1 April 2020 and 31 March 2021	137,400
DEPRECIATION	
At 1 April 2020	19,236
Charge for year	14,110
At 31 March 2021	33,346
NET BOOK VALUE	
At 31 March 2021	104,054
At 31 March 2020	118,164

12. STOCKS

	2021 £	2020 £
Stocks	122,252	55,518

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
VAT	2,170	7,271

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Hire purchase (see note 16)	16,468	16,468
Taxation and social security	(2,643)	793
Other creditors	97,958	68,800
	111,783	86,061

London Hearts
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Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021 £	2020 £
Hire purchase (see note 16)	80,464	100,384

16. LEASING AGREEMENTS

Minimum lease payments under hire purchase fall due as follows:

	2021 £	2020 £
Net obligations repayable:		
Within one year	16,468	16,468
Between one and five years	80,464	100,384
	<u>96,932</u>	<u>116,852</u>

17. MOVEMENT IN FUNDS

	At 1/4/20 £	Net movement in funds £	At 31/3/21 £
Unrestricted funds			
General fund	3,875	41,867	45,742
TOTAL FUNDS	<u>3,875</u>	<u>41,867</u>	<u>45,742</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	818,619	(776,752)	41,867
TOTAL FUNDS	<u>818,619</u>	<u>(776,752)</u>	<u>41,867</u>

Comparatives for movement in funds

	Net movement in funds £	At 31/3/20 £
Unrestricted funds		
General fund	3,875	3,875
TOTAL FUNDS	<u>3,875</u>	<u>3,875</u>

London Hearts
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Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

17. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	370,919	(367,044)	3,875
TOTAL FUNDS	<u>370,919</u>	<u>(367,044)</u>	<u>3,875</u>

18. RELATED PARTY DISCLOSURES

Included in other creditors is an amount of £95,958 (2020: £66,800) in relation to a loan made to the charity by a trustee. No security has been offered for this loan, there are no interest arrangements and no fixed repayment terms.

The motor vehicles shown in the accounts were acquired subject to hire purchase arrangements that were entered into in the name of a trustee as the charity was unable to obtain credit in its own name being a new entity. The charity has indemnified the trustee under the terms of those agreements and on a substance over legal form basis the assets and liabilities have been included in these accounts as if the transactions had been entered into directly by the charity. This is regarded as arms length and commercial with no direct benefit to the trustee.

19. MEMBERS LIMITED LIABILITY

In accordance with the constitution, in the event of a winding up of the CIO, its members have no liability to contribute to its liabilities nor any personal liability for settling any debts and liabilities that might arise.