

**Report of the Trustees and  
Audited Financial Statements for the Year Ended 31 March 2022  
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 2022**

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**London Hearts**  
**( Charitable Incorporated Organisation )**

**Report of the Trustees**  
**for the Year Ended 31 March 2022**

The trustees present their report with the financial statements of the charity for the year ended 31 March 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 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](http://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 continues to raise 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 £978,102 on the year and as at 31 March 2022 had total funds of £1,023,844.

The trustees are extremely 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 2022**

**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

**Auditors**

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.

**COMPANIES HOUSE**

The charity is a Charitable Incorporated Organisation (CIO) registered with the Charity Commission under number 1180901. The charity is also registered on the Companies House register under CE015738.



**London Hearts**  
**( Charitable Incorporated Organisation )**

**Report of the Trustees**  
**for the Year Ended 31 March 2022**

**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).

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.

Approved by order of the board of trustees on 1 August 2022 and signed on its behalf by:



N Lloyd - Trustee

**Report of the Independent Auditors to the Trustees of  
London Hearts  
( Charitable Incorporated Organisation )**

**Opinion**

We have audited the financial statements of London Hearts ( Charitable Incorporated Organisation ) (the 'charity') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

**Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.



**Report of the Independent Auditors to the Trustees of  
London Hearts  
( Charitable Incorporated Organisation )**

**Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

**Report of the Independent Auditors to the Trustees of  
London Hearts  
( Charitable Incorporated Organisation )**

**Our responsibilities for the audit of the financial statements**

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

**Capability of the audit in detecting irregularities, including fraud**

The objectives of our audit are to identify and assess the risks of material misstatement of the financial statements due to fraud or error; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud or error; and to respond appropriately to those risks.

As part of planning our audit and based upon our understanding of the charity and industry and the legal and regulatory framework applicable, and through discussion with trustees and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws & regulations related to charity, health and safety, anti-bribery and employment law. We considered the extent to which non-compliance might have a material effect upon the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities act and 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. We communicated identified laws and regulations throughout our team and remained alert to any indications on non-compliance throughout the audit. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override on controls) and determined the principal risks were related to: management bias in accounting estimates and judgemental areas of the financial statements such as income recognition and provisioning for costs. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances on non-compliance with laws and regulations
- Assessment of identified fraud risk factors
- Challenging assumptions and judgements made by management in significant accounting estimates
- Performing analytical review
- Confirmation of related parties with management and review of transactions
- Performing such substantive procedures as judging appropriate and seeking independent confirmations.
- Audited the risk of management override on controls and evaluating the rationale of significant transactions

Our audit tests included agreeing the financial statements disclosures to underlying supporting documentation and enquiries with management.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognizing that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment, for example, forgery, misrepresentation or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statement's, the less likely we are to become aware of it.

As part of an audit in accordance with ISA's (UK), we exercise professional judgment and maintain professional scepticism throughout the audit.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.




**Report of the Independent Auditors to the Trustees of  
London Hearts  
( Charitable Incorporated Organisation )**

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

**Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



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

1 August 2022

**London Hearts**  
**( Charitable Incorporated Organisation )**

**Statement of Financial Activities**  
**for the Year Ended 31 March 2022**

	Notes	2022 Unrestricted fund £	2021 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	3	1,909,565	387,459
Other trading activities	4	1,631,741	431,160
<b>Total</b>		<b>3,541,306</b>	<b>818,619</b>
 <b>EXPENDITURE ON</b>			
Raising funds	5	35,955	7,741
<b>Charitable activities</b>	6		
Defibrillators & Training		2,263,268	667,058
Other		263,981	101,953
<b>Total</b>		<b>2,563,204</b>	<b>776,752</b>
 <b>NET INCOME</b>		<b>978,102</b>	<b>41,867</b>
 <b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>		<b>45,742</b>	<b>3,875</b>
 <b>TOTAL FUNDS CARRIED FORWARD</b>		<b>1,023,844</b>	<b>45,742</b>

**CONTINUING OPERATIONS**

All income and expenditure has arisen from continuing activities.

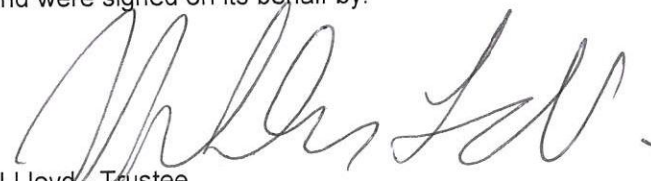


**London Hearts**  
**( Charitable Incorporated Organisation )**

**Balance Sheet**  
**31 March 2022**

	Notes	2022 Unrestricted fund £	2021 Total funds £
<b>FIXED ASSETS</b>			
Tangible assets	11	548,009	107,086
<b>CURRENT ASSETS</b>			
Stocks	12	455,262	122,252
Debtors	13	-	2,170
Cash at bank		407,871	6,481
		<u>863,133</u>	<u>130,903</u>
<b>CREDITORS</b>			
Amounts falling due within one year	14	(260,290)	(111,783)
<b>NET CURRENT ASSETS</b>		<u>602,843</u>	<u>19,120</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		1,150,852	126,206
<b>CREDITORS</b>			
Amounts falling due after more than one year	15	(127,008)	(80,464)
<b>NET ASSETS</b>		<u>1,023,844</u>	<u>45,742</u>
<b>FUNDS</b>	17		
Unrestricted funds		<u>1,023,844</u>	<u>45,742</u>
<b>TOTAL FUNDS</b>		<u>1,023,844</u>	<u>45,742</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 1 August 2022 and were signed on its behalf by:

  
N Lloyd - Trustee



**London Hearts**  
**( Charitable Incorporated Organisation )**

**Cash Flow Statement**  
**for the Year Ended 31 March 2022**

Notes	2022 £	2021 £
<b>Cash flows from operating activities</b>		
Cash generated from operations 1	822,230	27,076
Interest paid	(5,818)	(5,818)
Net cash provided by operating activities	<u>816,412</u>	<u>21,258</u>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	(461,566)	-
Net cash (used in)/provided by investing activities	<u>(461,566)</u>	<u>-</u>
<b>Cash flows from financing activities</b>		
Capital repayments in year	46,544	(19,920)
Net cash provided by/(used in) financing activities	<u>46,544</u>	<u>(19,920)</u>
<b>Change in cash and cash equivalents in the reporting period</b>	<u>401,390</u>	<u>1,338</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>	<u>6,481</u>	<u>5,143</u>
<b>Cash and cash equivalents at the end of the reporting period</b>	<u><u>407,871</u></u>	<u><u>6,481</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 2022

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

	2022 £	2021 £
<b>Net income for the reporting period (as per the Statement of Financial Activities)</b>	978,102	41,867
<b>Adjustments for:</b>		
Depreciation charges	20,643	15,302
Interest paid	5,818	5,818
Increase in stocks	(333,010)	(66,734)
Decrease in debtors	2,170	5,101
Increase in creditors	148,507	25,722
<b>Net cash provided by operations</b>	<u>822,230</u>	<u>27,076</u>

2. ANALYSIS OF CHANGES IN NET (DEBT)/FUNDS

	At 1/4/21 £	Cash flow £	At 31/3/22 £
<b>Net cash</b>			
Cash at bank	6,481	401,390	407,871
	<u>6,481</u>	<u>401,390</u>	<u>407,871</u>
<b>Debt</b>			
Finance leases	(96,932)	(46,544)	(143,476)
	<u>(96,932)</u>	<u>(46,544)</u>	<u>(143,476)</u>
<b>Total</b>	<u>(90,451)</u>	<u>354,846</u>	<u>264,395</u>

**London Hearts**  
**( Charitable Incorporated Organisation )**

**Notes to the Financial Statements**  
**for the Year Ended 31 March 2022**

**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.

Freehold land is not depreciated.

**Stocks**

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



**London Hearts**  
( Charitable Incorporated Organisation )

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 March 2022**

**2. ACCOUNTING POLICIES - continued**

**Taxation**

The charity is considered to pass the tests set out in Paragraph 1, Schedule 6 of the Finance Act 2010 and therefore meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3, Part 11 of the Corporation Tax Act 2010, to the extent that such income or gains are applied exclusively to charitable purposes.

**Fund accounting**

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

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.

**Pension costs and other post-retirement benefits**

The charity's employees are enrolled in a pension scheme as part of the governments Auto Enrolment provisions and contributions are charged in the financial statements in the period in which they are incurred.

**Irrecoverable vat**

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

**3. DONATIONS AND LEGACIES**

	2022 £	2021 £
Donations	1,522,835	294,407
Gift aid	381,900	70,052
Grants	4,830	23,000
	<u>1,909,565</u>	<u>387,459</u>

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

	2022 £	2021 £
Other grants	<u>4,830</u>	<u>23,000</u>

**London Hearts**  
( Charitable Incorporated Organisation )

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 March 2022**

**4. OTHER TRADING ACTIVITIES**

	2022	2021
	£	£
Defib & Cabinet sales	1,631,741	431,160

**5. RAISING FUNDS**

**Raising donations and legacies**

	2022	2021
	£	£
Advertising & Marketing	35,955	7,741

**6. CHARITABLE ACTIVITIES COSTS**

	Direct Costs £
Defibrillators & Training	2,263,268

**7. SUPPORT COSTS**

	Management £	Finance £	Information technology £
Other resources expended	101,630	9,367	12,151
	Human resources £	Governance costs £	Totals £
Other resources expended	134,833	6,000	263,981

**8. AUDITORS' REMUNERATION**

	2022	2021
	£	£
Fees payable to the charity's auditors for the audit of the charity's financial statements	6,000	2,000

**9. TRUSTEES' REMUNERATION AND BENEFITS**

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

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 March 2022 nor for the year ended 31 March 2021.

**London Hearts**  
( Charitable Incorporated Organisation )

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 March 2022**

**10. STAFF COSTS**

	2022	2021
	£	£
Wages and salaries	65,960	5,988
Social security costs	3,195	-
Other pension costs	1,668	-
	<u>70,823</u>	<u>5,988</u>

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

	2022	2021
	7	4
Support & Administration staff	<u>7</u>	<u>4</u>

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

**11. TANGIBLE FIXED ASSETS**

	Freehold property £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>					
At 1 April 2021	-	2,185	137,400	3,446	143,031
Additions	381,616	-	79,950	-	461,566
At 31 March 2022	<u>381,616</u>	<u>2,185</u>	<u>217,350</u>	<u>3,446</u>	<u>604,597</u>
<b>DEPRECIATION</b>					
At 1 April 2021	-	1,092	33,346	1,507	35,945
Charge for year	-	546	19,236	861	20,643
At 31 March 2022	<u>-</u>	<u>1,638</u>	<u>52,582</u>	<u>2,368</u>	<u>56,588</u>
<b>NET BOOK VALUE</b>					
At 31 March 2022	<u>381,616</u>	<u>547</u>	<u>164,768</u>	<u>1,078</u>	<u>548,009</u>
At 31 March 2021	<u>-</u>	<u>1,093</u>	<u>104,054</u>	<u>1,939</u>	<u>107,086</u>

Freehold land is not depreciated and as the building was not fully brought into use as at 31 March 2022 no depreciation was charged in this year.



**London Hearts**  
( Charitable Incorporated Organisation )

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 March 2022**

**11. TANGIBLE FIXED ASSETS - continued**

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

	Motor vehicles £
<b>COST</b>	
At 1 April 2021	137,400
Additions	79,950
	<u>217,350</u>
At 31 March 2022	<u>217,350</u>
<b>DEPRECIATION</b>	
At 1 April 2021	33,346
Charge for year	19,236
	<u>52,582</u>
At 31 March 2022	<u>52,582</u>
<b>NET BOOK VALUE</b>	
At 31 March 2022	<u>164,768</u>
At 31 March 2021	<u>104,054</u>

**12. STOCKS**

	2022 £	2021 £
Stocks	<u>455,262</u>	<u>122,252</u>

**13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2022 £	2021 £
VAT	<u>-</u>	<u>2,170</u>

**14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2022 £	2021 £
Hire purchase (see note 16)	16,468	16,468
Taxation and social security	25,822	(2,643)
Other creditors	218,000	97,958
	<u>260,290</u>	<u>111,783</u>

**London Hearts**  
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**Notes to the Financial Statements - continued**  
**for the Year Ended 31 March 2022**

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

	2022 £	2021 £
Hire purchase (see note 16)	127,008	80,464

**16. LEASING AGREEMENTS**

Minimum lease payments under hire purchase fall due as follows:

	2022 £	2021 £
Net obligations repayable:		
Within one year	16,468	16,468
Between one and five years	127,008	80,464
	<u>143,476</u>	<u>96,932</u>

**17. MOVEMENT IN FUNDS**

	At 1/4/21 £	Net movement in funds £	At 31/3/22 £
<b>Unrestricted funds</b>			
General fund	45,742	978,102	1,023,844
<b>TOTAL FUNDS</b>	<u>45,742</u>	<u>978,102</u>	<u>1,023,844</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	3,541,306	(2,563,204)	978,102
<b>TOTAL FUNDS</b>	<u>3,541,306</u>	<u>(2,563,204)</u>	<u>978,102</u>

**Comparatives for movement in funds**

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

**London Hearts**  
**( Charitable Incorporated Organisation )**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 March 2022**

**17. MOVEMENT IN FUNDS - continued**

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

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

**18. RELATED PARTY DISCLOSURES**

Included in other creditors is an amount of £210,000 (2021: £95,958) in relation to a loan made to the charity by a trustee. 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.

A formal fixed charge over the Freehold Property exists in favour of a 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.