BRITISH HEART FOUNDATION

England & Wales · Charity number 225971

Details

Other names	BHF, THE HEART FOUNDATION
Status	Registered
Legal form	Charitable company
Company number	00699547
Registered	1963-03-26
Register	View on the Charity Commission register

Contact

Address	British Heart Foundation Greater London House (4th Floor) 180 Hampstead Road London NW1 7AW
Phone	0300 330 3322
Email	heretohelp@bhf.org.uk
Website	www.bhf.org.uk

Activities

Objects: THE OBJECTS FOR WHICH THE FOUNDATION IS ESTABLISHED ARE: TO ATTACK AND DEFEAT DISEASES AND CONDITIONS OF THE HEART AND CIRCULATION AND OTHER DISEASES ILLNESS OR CONDITIONS, BY UNDERTAKING AND PROMOTING RESEARCH FOR THE PUBLIC BENEFIT INTO THEIR CAUSE, DIAGNOSIS, TREATMENT AND PREVENTION, PROMOTING THEIR DIAGNOSIS, TREATMENT AND PREVENTION, EDUCATING THE PUBLIC AND ALLEVIATING SUFFERING AND PROMOTING THE WELFARE OF PERSONS AFFLICTED AND THOSE WHO CARE FOR SUCH PERSONS.

Activities: The BHF is the UK's largest independent funder of cardiovascular research in the UK. For over 60 years BHF has pioneered life-saving research that has helped halve the number of deaths from heart and circulatory disease in the UK. BHF also helps provide vital support and information for the 7.4m people living in the UK with heart and circulatory disease.

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Classification

- **How:** Makes Grants To Organisations, Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research, Other Charitable Activities
- **What:** The Advancement Of Health Or Saving Of Lives
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** UNRESTRICTED
- Isle Of Man
- Northern Ireland
- Scotland
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£410,600,000	£427,100,000	£130,200,000	4545
2024-03-31	£398,900,000	£416,700,000	£138,300,000	4321
2023-03-31	£381,300,000	£370,100,000	£125,600,000	4191
2022-03-31	£351,700,000	£297,300,000	£117,700,000	4090
2021-03-31	£225,300,000	£242,300,000	£49,200,000	4229

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Trustees

Name	Role	Appointed
Karen Frank	Chair	2019-10-08
David Boynton		2023-12-13
Dr Annalisa Jenkins		2021-10-12
Louise Wilson FCIPD		2026-01-27
Mark Ashton-Rigby		2024-08-01
Mark FitzPatrick CA		2020-10-06
Professor Brian Robert Walker		2022-10-20
Professor Jane Armitage		2025-10-21
Professor Simon Ray		2025-10-21
Professor Sir Munir Pirmohamed		2020-10-06
Roisin Donnelly		2024-08-01

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BRITISH HEART FOUNDATION

England & Wales - Charity number 225971

Accounts

British Heart Foundation

Annual Report and Accounts

2025

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Year at a glance

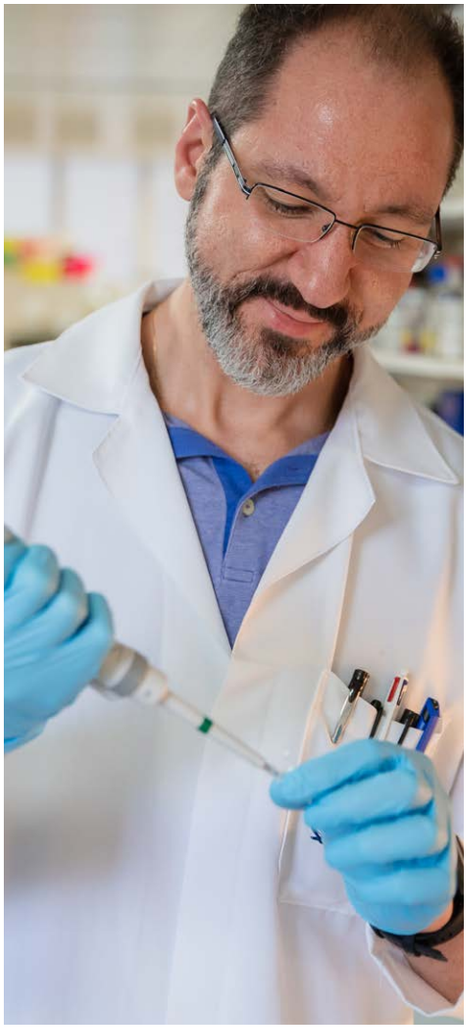
British Heart Foundation is the UK's biggest non-commercial funder of cardiovascular research, with over £460m (as of 31 March 2025) of BHF-funded research in progress.

1,220
researchers including PhD students

£108.4m in grants awarded

717
active research grants

450
lead scientists



Year at a glance

311,000
people trained in CPR through RevivR by 31 March 2025

106,000
defibrillators now accessible on The Circuit

37 million
views of health content on BHF's website

33,314
pieces of news coverage on BHF research, patient stories and campaigns

20%
increase in contacts into Heart Helpline

Funding to 47 research institutions across the UK

Funding lifesaving science in challenging times

BHF's story is one of lifesaving progress. And we've continued to make that progress in 2024-25, in the face of major challenges faced by millions of people affected by cardiovascular disease, as well as by those who support us.

Every three minutes in the UK, a family loses a loved one to a cardiovascular disease. Millions more are living with the devastating consequences these conditions can have on everyday life. These are our children, parents, grandparents, and siblings. And we can't accept it.

At the same time, raising funds has remained challenging, as the UK slowly recovers from a period of economic uncertainty and we manage growing cost pressures in our retail business.

In 2024-25, we've responded to these challenges with resilience and vigour.

We funded more than £100m of new ground-breaking research, and we've offered a lifeline of support to thousands of people. This vital work has been supported by record-breaking fundraising income, powered by the generosity and commitment of so many people and organisations.

From those who have left a gift in their Will, to the dedicated support of our corporate partners, we're immensely grateful for every pound donated.

As ever, the progress we've made has been fuelled by our increasingly diverse and dedicated team of colleagues and volunteers, all driven by a desire to support lifesaving breakthroughs.

A bold vision for the future

The year has also been a pivotal moment in our history, as we've reviewed and restated how we will deliver our mission through a new strategy. We know we need to be far bolder if we're to make the progress millions of people live in hope of.

At the heart of our strategy is seizing an era of immense scientific and technological opportunity. Revolutionary advances in areas such as artificial intelligence (AI), genomics, and regenerative medicine hold the potential for lifesaving breakthroughs that would have belonged in the realms of science fiction just a few years ago.

In our strategy, we envision a world in which everyone has a healthier heart for longer, by focusing on three goals.

We will:

Stop heart disease before it starts, by revolutionising how we prevent it.

Save more lives from heart disease, by discovering groundbreaking treatments and cures.

Support everyone with heart disease to live longer, healthier lives, by ensuring they can get the information, care and support they need.

Achieving these bold ambitions will only be possible with the continued support of our incredible BHF team, and the thousands of people who donate their time, money and items to us every day to fuel lifesaving progress.

This report shows how they've done that at unprecedented scale in 2024-25, and why we need even more support to fund groundbreaking discoveries in future.

Letter from our Chair and Chief Executive

"We have both lost loved ones to heart disease …"

Every three minutes someone in the UK dies from cardiovascular disease. It remains the world's biggest killer, with 7.6 million living with a cardiovascular condition in the UK alone. And, despite decades of remarkable progress, the number of people dying young from cardiovascular disease is rising once again.

But we have hope. We know we are standing on the cusp of scientific breakthroughs that will save and improve countless lives for generations to come. Advances in artificial intelligence, regenerative medicine, and genomics offer extraordinary potential to change the course of history for how we prevent, diagnose and treat heart disease and stroke.

As a leading global funder of research, for six decades we have backed the best people and ideas to drive progress that has improved prevention, treatment and care for countless people. This year we've seen BHF-funded research lead to quick and safe monitoring for children with a potentially deadly heart condition, explored how AI can reduce underdiagnosis of common heart failure in Black patients, and found evidence that remote monitoring could help tackle waiting lists by preventing readmissions to hospital.

We've also taken bold steps to focus our efforts on some of the biggest challenges we face, from tackling vascular dementia to developing a potential cure for inherited heart muscle conditions through the ongoing CureHeart project. The field of cardiovascular research is getting more exciting – and more life-changing – all the time.

And whilst we search for the cures of tomorrow, today we are there for the millions of people across our four nations who turn to us for information and support. And whilst we work towards a cure for sudden cardiac death one day, our BHF community is working hard to ensure as many people as possible are trained in CPR, and more defibrillators are registered on The Circuit, and placed in communities that need them most.

In a world where volatility and uncertainty prevail, we are always humbled by the steadfast commitment of our researchers, supporters, volunteers and partners who power lifesaving progress every single day. We also pay tribute to His Majesty The King for his patronage following his late father's patronage since BHF was founded.

Like so many people in Team BHF, we have both lost loved ones to heart disease and are heartbroken to know that this happens every few minutes of every single day. But we share a powerful hope for the future having seen firsthand the research advances that have given us both more time with our families and loved ones.

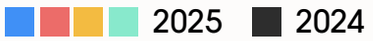
We are clear about the scale of our task to give everyone a healthier heart for longer. But our BHF family has never been more determined to save and improve even more lives than it is today. We hope these pages paint a picture of the incredible progress we've made over the past year, and capture the spirit of the remarkable people and organisations that make Team BHF. To them, we offer our heartfelt thanks. Your support has never been more needed.

Karen Frank
Chair of the Board of Trustees

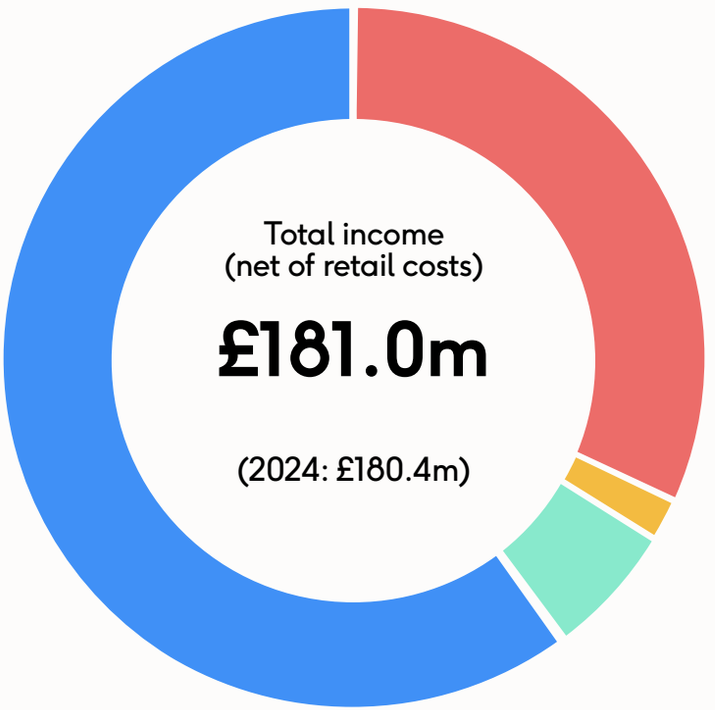
Dr Charmaine Griffiths
Chief Executive

Where our money came from in 2024–25

Comparing 2024 and 2025



	2025	2024
Legacies	£108.4m	£101.4m
Fundraising	£58.2m	£47.7m
Retail net profit	£3.6m	£18.8m
Other	£10.8m	£12.5m



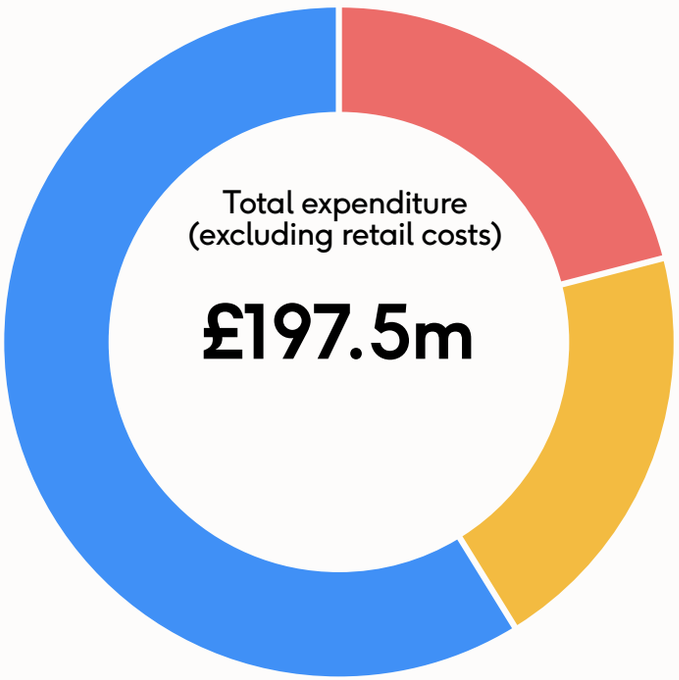
How we spent our money in 2024–25

We spent a net £98.9m on cardiovascular research and £47.2m on health and support, with £51.4m invested in growing our income.

Research[1]
£98.9m

Health and support
£47.2m

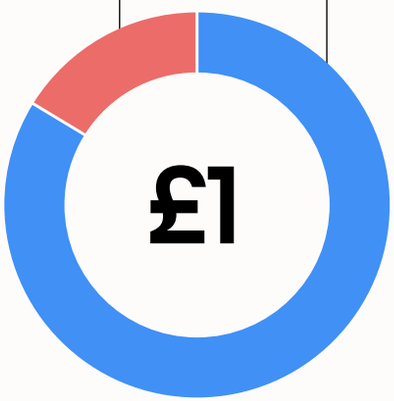
Cost of generating funds
£51.4m



Of every £1 raised:
72p was available to beat cardiovascular disease.

72p (2024: 77p)
available for charitable purposes

28p
used to generate further income



1. £108.4m of research grant awards, less accounting adjustments and other costs. See page 67 for more information.

Lifesaving research

BHF-funded research has already helped to nearly halve cardiovascular disease deaths over the last 50 years. Now, we're going even further. With BHF-funded researchers working to turn science fiction into reality through rapid advances in AI, genomics and regenerative medicine, we have the chance to prevent, treat and even cure heart diseases in ways we never thought possible.

This year we committed £108m of new funding to research. BHF is built on a track record of lifesaving discovery, and our growing investments are key to translating science into new diagnostics, treatments and cures – potentially saving more lives.

Our 2024–25 priorities

BHF is evolving to make an even bigger impact in the world of cardiovascular medicine. This year, we have funded 247 new research awards across 47 organisations. In a defining year, we have launched groundbreaking research partnerships and found new ways to make hearts beat healthier for longer.

At the start of the year, we set out to make significant progress in the following areas:

1 **Helping the cardiovascular research ecosystem recover and grow**

- Progress our equality, diversity and inclusion (EDI) ambitions in cardiovascular research.

2 **Enhancing our knowledge of cardiovascular disease**

- Maximise our research partnerships to address unmet needs
- Invest further in transformational science, funding world-class research as part of our new strategy.

3 **Seeing more BHF-funded research discoveries being translated into patient and public benefit**

- Implement and refine our research translation strategy.

Helping the cardiovascular research ecosystem recover and grow

Our first professor of AI

Professor Declan O'Regan (Imperial College London) has been appointed as BHF Professor of Cardiovascular Artificial Intelligence. Applying the potential of AI to medical imaging and genetics, his research could reveal new insights into how the cardiovascular system ages differently in different people.

New £3m joint funding for cardiovascular research in Wales

Together with Health and Care Research Wales, we have announced a significant £3m agreement to support cardiovascular research in Wales through funding for the National Cardiovascular Research Network (NCRN). The five-year agreement means that Welsh researchers will be able to investigate key areas of unmet health and care needs in people with heart conditions such as arrhythmias (irregular heartbeat), heart disease and vascular ageing.

A centre of research excellence

The MRC/BHF Centre of Research Excellence in Advanced Cardiac Therapies has been launched. It aims to develop the first therapies to stimulate heart repair and regeneration in patients following a heart attack and in those with established heart failure, for which there are currently no effective treatments.

The centre will be led by three pioneering researchers at universities across the UK – Professor Mauro Giacca at King's College London, BHF Professor Andrew Baker at the University of Edinburgh, and BHF Professor Paul Riley at the University of Oxford.

Progressing our EDI ambitions

In September we held our first Women in Science dinner, to convene and celebrate female cardiovascular researchers and gather insights on the barriers they face.

We completed our first comprehensive assessment of the UK cardiovascular research workforce, capturing current and projected demographics and qualitative insights to inform the interventions needed to drive equality, diversity and inclusion in the workforce.

Researchers honoured at Heart Hero Awards

A study that uncovered a potential new approach to treating vascular dementia has been named Research Story of the Year at our annual Heart Hero Awards. Research from Professor Adam Greenstein and his team at the University of Manchester won the hearts of the public to take home the top prize. The team unmasked the hidden dangers of high blood pressure – a leading cause of vascular dementia – revealing how it disrupts communication between the cells that make up the arteries in the brain.

Calcium rainbow wins top prize

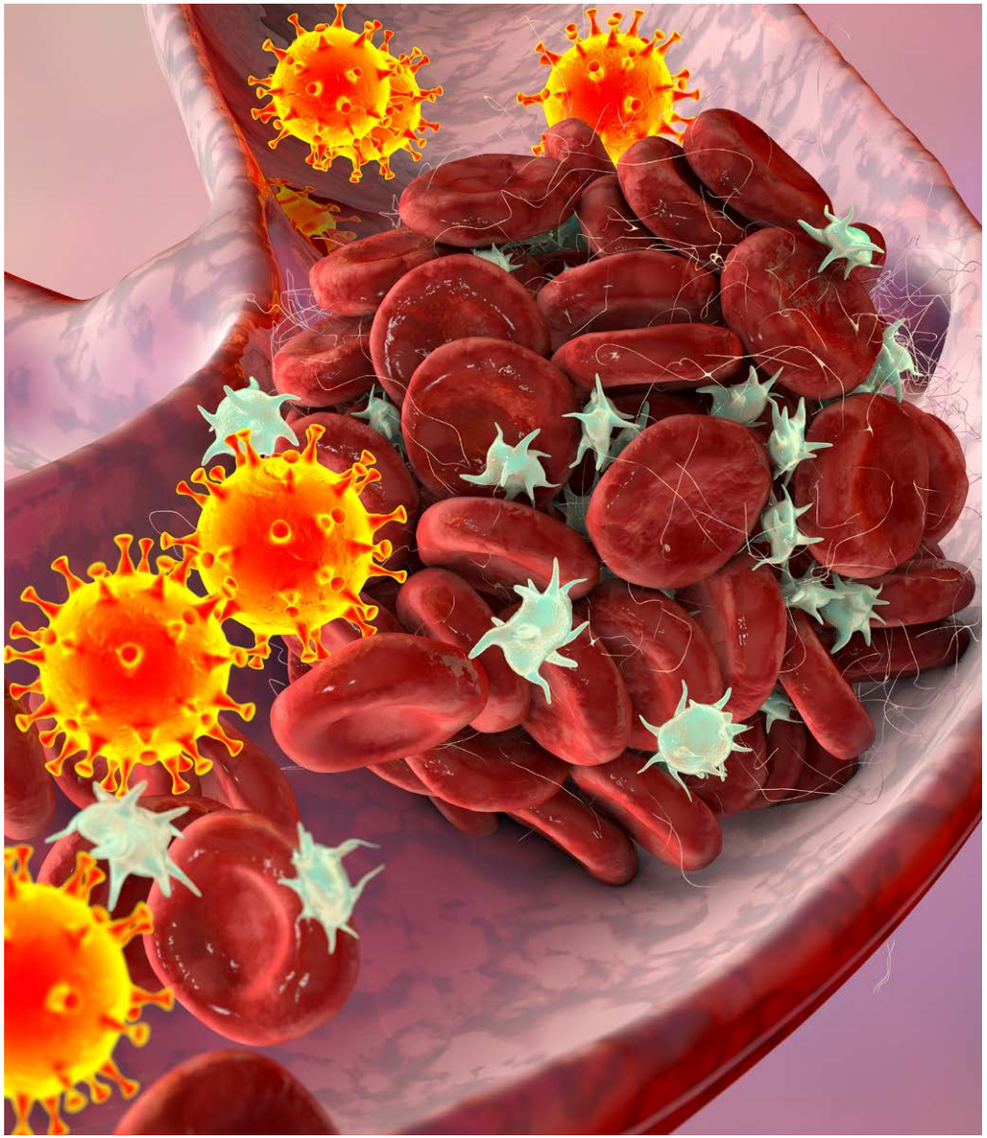
The Reflections of Research competition challenges BHF-funded researchers to capture the beauty and mystery of art and science, as they showcase awe-inspiring displays of lifesaving research.

BHF-funded researcher Dr Charlotte Buckley, from the University of Strathclyde, took top prize for 'Calcium Rainbow'. The image resembles kaleidoscopic stained glass, showing the calcium levels in blood vessels. Calcium has an important role in regulating blood pressure and helping pump blood around the body. Dr Buckley is researching how the way calcium changes are handled by cells in blood vessels can lead to high blood pressure, which is linked to conditions including stroke and dementia.

"Calcium Rainbow – the image resembles kaleidoscopic stained glass, showing the calcium levels in blood vessels."

by Dr Charlotte Buckley

Enhancing our knowledge of cardiovascular disease



Avoiding future strokes

A BHF-funded OPTIMAS clinical study, led by Professor David Werring at University College London, has found evidence that early blood thinning treatment was as safe and effective as delayed treatment for patients with atrial fibrillation who had experienced a stroke. This could enable as many as 20,000 patients each year to receive earlier treatment to avoid future strokes.

Detecting lethal heart rhythms

Life-threatening heart rhythm problems may be intermittent and therefore missed in the short space of time someone is being assessed. Drs Zachary Winnett and Keenan Saleh aim to improve detection of these dangerous conditions through an AI-enabled intelligent t-shirt.

Designed to be worn for longer than current monitors, the t-shirt will send heart rhythm data to AI capable of spotting tiny signs of conditions that can lead to cardiac arrest. If successful, it could revolutionise how we detect these conditions, and so save more lives.

Routine scans prevent thousands of heart attacks

Coronary computed tomography angiogram (CCTA) scans help doctors to identify coronary heart disease, narrowing and blockages in the arteries that supply the heart with blood. If left untreated, coronary heart disease can lead to a heart attack. The ten year follow up of the SCOT-HEART trial, part-funded by BHF found that the number of non-fatal heart attacks in the group who had a CCTA scan was 28% lower compared to those who had standard tests. Researchers at the University of Edinburgh, who led the study, estimate that this equates to 6,000 heart attacks avoided over the last ten years.

Reducing underdiagnosis for Black patients with AI

A new study by researchers at Kings College London and supported by BHF has used AI to understand the extent of Heart Failure with Preserved Ejection Fraction (HFpEF) underdiagnosis across ethnicities.

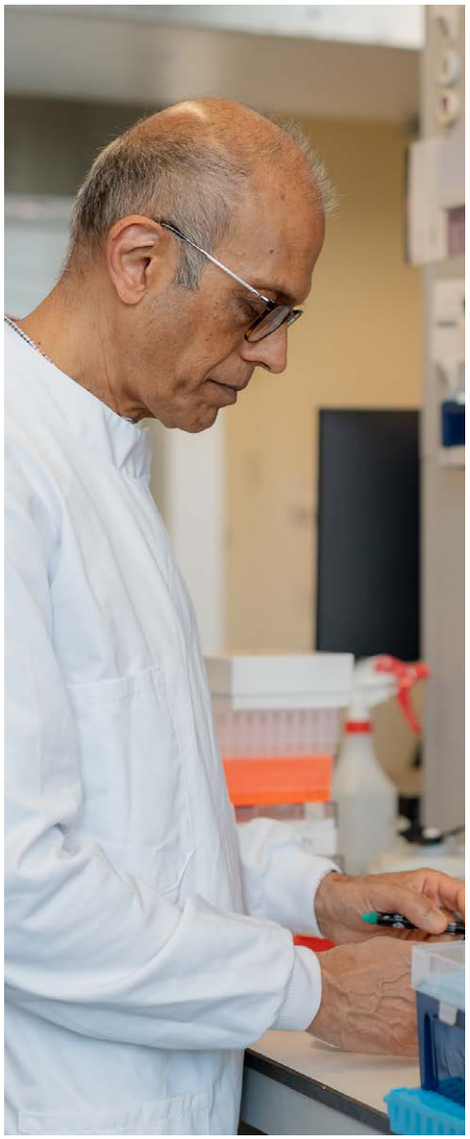
It is estimated that over a million people in the UK have heart failure, and around half of these have HFpEF, which happens when the heart pumps out blood normally, but cannot fill up as well, leading to signs and symptoms of heart failure. The research has revealed that Black patients are less likely to be underdiagnosed with a common type of heart failure when using AI than during routine care, and highlights how algorithms could be used by clinicians to reduce bias and improve diagnoses.

AI could predict type 2 diabetes up to ten years in advance

Around 5.8 million people in the UK are living with diabetes, with more than 1.2 million of those yet to be diagnosed. Early detection is vital in reducing the risk of type 2 diabetes and its associated complications.

An AI tool that analyses electrocardiogram (ECG) readings during routine heart scans could identify people at risk of type 2 diabetes as much as ten years before they begin to develop the condition. BHF-funded research, led by researchers at Imperial College London, presented at the 2024 American Heart Association's Scientific Sessions in Chicago, could allow for early interventions, helping people take steps to reduce their risk of developing type 2 diabetes in future.

Seeing more BHF-funded research discoveries being translated into patient and public benefit



Pacemaker progress

BHF awarded a five-year Intermediate Clinical Research Fellowship to Dr Anish Bhuva at University College London. Dr Bhuva will integrate and analyse thousands of routinely collected healthcare records and data extracted from implanted pacemakers and internal defibrillators to better determine patients most likely to benefit from pacemakers, and identify those at risk of onward heart disease.

Cheek swab test to prevent sudden cardiac deaths in children

A cheap and simple test, being developed by researchers at St George's, University of London with BHF funding, is allowing quick and safe monitoring in children with a potentially deadly heart condition. If proven effective, the test could soon be used to guide treatment nationwide, allowing doctors to quickly act to prevent sudden cardiac deaths. Arrhythmogenic cardiomyopathies are estimated to affect up to one in 1,000 people and they could be responsible for up to 25% of sudden cardiac deaths in children.

New AI tool using GP records to identify risk of heart failure

A new AI tool could improve early diagnosis of heart failure, according to BHF-funded research. In the new study, researchers trained a type of AI called machine learning to predict who is at highest risk of developing heart failure. The algorithm, called FIND-HF (Future Innovations in Novel Detection of Heart Failure), does this by identifying tell-tale patterns in an individual's patient health records from visits to their GP. Researchers led by Professor Chris P Gale, University of Leeds and Consultant Cardiologist, hope that the algorithm could be available for GPs to identify those at most risk with a simple push of a button in as little as three to five years.

Future focus

Advance

Advance the scale, breadth and impact of cardiovascular research

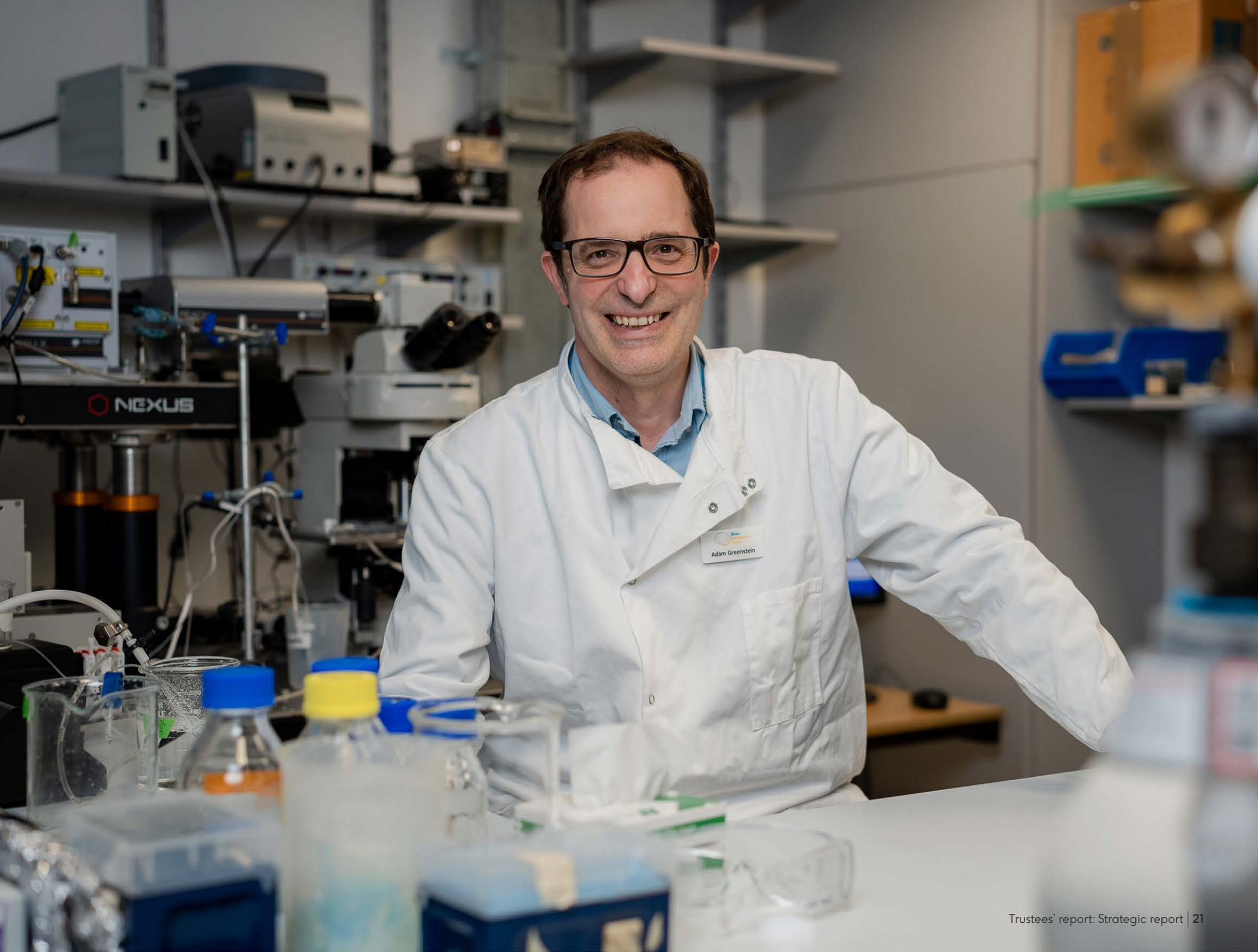
We are proud of our progress in 2024-25. Our new strategy sets out our Future Focus in this area, underpinned by our priority to advance the scale, breadth and impact of cardiovascular research.

As we look to the future, we know we need to be even bolder if we're to realise the potential of the unique era of scientific opportunity we're entering.

Guided by our new strategy, we will expand the scale and scope of our funding to capitalise on emerging opportunities in areas like AI, data science, engineering, advanced therapies and genomics. And we will strategically invest in areas of unmet need to make transformational breakthroughs with the potential to save and improve countless lives. Furthermore, while continuing to fund the very best discovery and clinical science, we will have a laser-like focus on translating more of our discoveries into groundbreaking ways of preventing, diagnosing, and treating all cardiovascular diseases.

Our objectives:

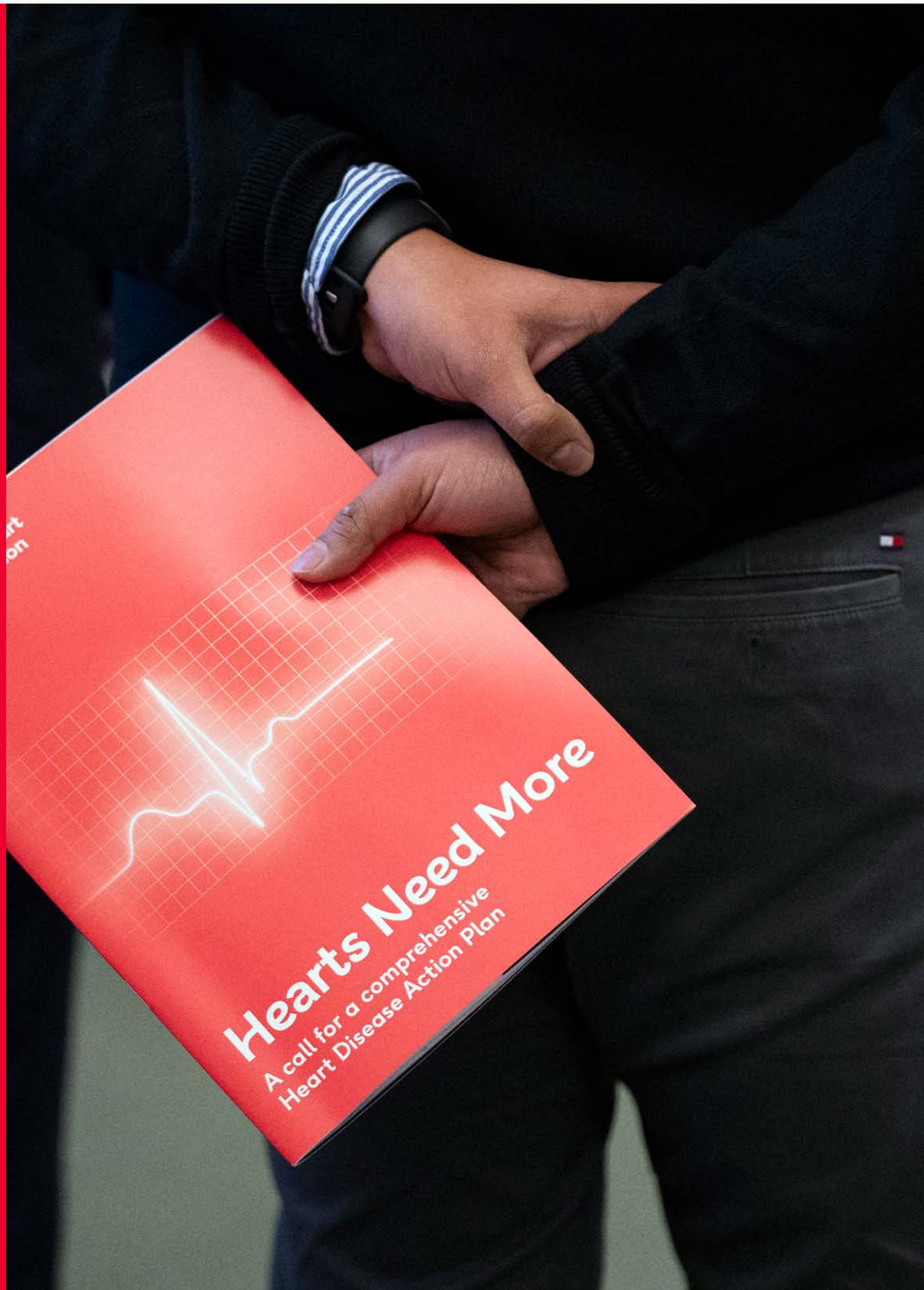
- Grow the UK's investment in cardiovascular research, helping to close the UK's funding shortfall in research to tackle cardiovascular diseases.
- Grow the strength, breadth, and diversity of the UK's cardiovascular research workforce, enabling it to power the discoveries of the future.
- Increase BHF's investment in prevention research, innovation, and partnerships to stop heart disease before it starts.
- Increase BHF's investment in strategic funding initiatives and Grand Challenges to discover the diagnostics, treatments and cures of the future.
- Significantly grow BHF's investment in clinical and translational research, leading to faster translation of scientific discoveries towards patient benefit.


NEXUS
Adam Greenstein

Health and care

Every three minutes, someone in the UK dies from cardiovascular disease. That's families losing a parent, grandparent, a child or sibling. Millions of people are at an increased risk of heart attack and stroke in the UK, creating a ticking timebomb of future disease that could devastate lives and put unsustainable pressure on our health services.

Cardiovascular disease remains the world's biggest killer, and BHF has never been more needed. We continue to save lives by providing life-changing information and support, improving access to defibrillators and urging people to learn CPR, and by influencing policy change across our four nations.



Our 2024-25 priorities

At a time when seismic challenges are being worsened by the UK's widening health inequalities and an NHS in crisis, families are relying on us to help turn this tide. This year we have given a lifeline of support to countless families through our online and printed health information, making it more accessible than ever before, and seen record numbers of people learn CPR through our RevivR tool.

At the start of the year, we set out to make significant progress in the following areas:

1 Increasing people's chances of surviving out-of-hospital cardiac arrest

- Increase use of RevivR in schools and the number of people trained in CPR.
- Secure long-term funding for The Circuit.
- Refine our fully-funded defibrillator programme focusing on areas in most need.

2 Helping more people manage their cardiovascular conditions

- Optimise our support offer and integrate BHF content into health systems and settings.
- Gain insights to inform our work to support a wider range of people.

3 Supporting people to reduce their risk of cardiovascular disease

- Deliver on goals to prevent cardiovascular disease as part of BHF's new strategy.

Increasing chances of surviving out-of-hospital cardiac arrest

We've continued working towards our goal of saving more lives from out-of-hospital cardiac arrest by creating a nation of lifesavers trained in CPR and by making defibrillators available and accessible in the places they're needed most.

More than 311,000 people have completed the full RevivR training up to 31 March 2025.

The groundbreaking tool teaches people lifesaving skills, including how to recognise a cardiac arrest, what to expect when dialling 999, how to perform chest compressions and how to use a defibrillator. The tool is free and easy, and it takes as little as 15 minutes to complete the training. It's already giving people the confidence to perform CPR in the ultimate medical emergency, with lives being saved as a result.

"February 2025 was our busiest RevivR month to date. Our hope is that the more people who are trained in CPR, the more people will survive."

Lizzie Moscardini,
Senior Programme Manager

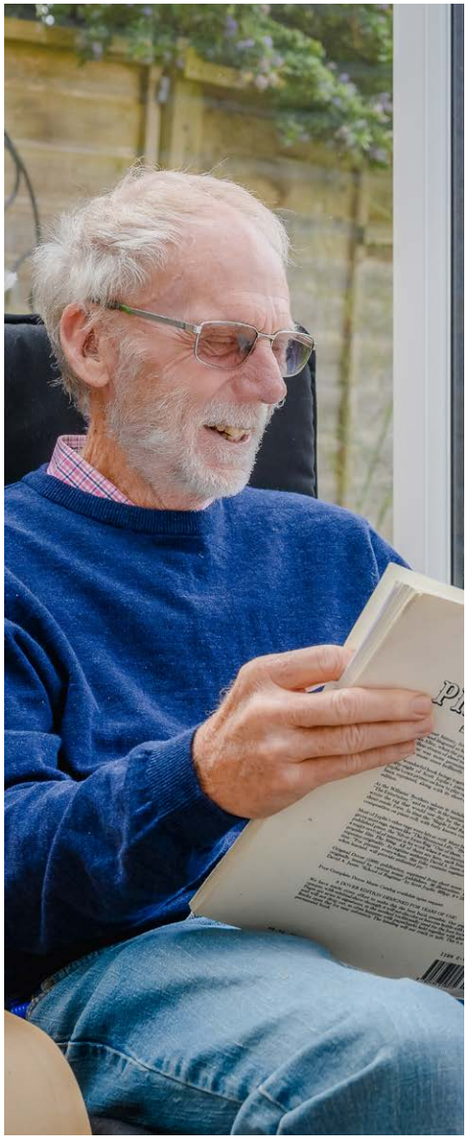
The Circuit reaches 100,000 defib registrations

The Circuit is the national defibrillator network developed by BHF in partnership with NHS England, Resuscitation Council UK, St John Ambulance, the Association of Ambulance Chief Executives, and Save a Life Cymru. It enables ambulance services to direct bystanders to the nearest defibrillator when 999 is called in response to a cardiac arrest.

In 2024, The Circuit reached a critical milestone, when the 100,000th defibrillator was registered on the network. The landmark achievement was made possible by the joint work of our partners as well as a national campaign run by the Daily Express to encourage registrations. These defibrillators now have the best chance of helping to save a life. However, there is still more to be done, with an estimated tens of thousands of defibrillators not yet registered. Our ambition is for all communities to have access to a defibrillator.

In early 2025, The Circuit welcomed its first corporate partner, Omaze, who raised funds to help power The Circuit for two years, ensuring its continued success and enabling us to help save more lives.

Health content and helpline



Providing accessible, reliable health information remains a core part of how we support people living with or at risk of cardiovascular disease.

Millions view health information

In 2024-25, our health content was viewed over 37 million times on our website, a 15% increase from the previous year. We distributed 1.7 million information booklets to settings such as hospitals, GP surgeries, and community health centres.

The value of this information is clear. Of those engaging with our content, 86% told us it made them feel more confident about managing their heart condition.

Award-winning Heart Matters

Our Heart Matters magazine and newsletter continued to be a vital connection to our supporter community, reaching around 472,000 members this year. We welcomed nearly 79,000 new members, and were proud to see Heart Matters win Best Newsletter at the Professional Publishers Association Awards. In our latest member survey, 96% of respondents expressed satisfaction with Heart Matters.

Increasing accessibility

We've also taken important steps to make our information even more accessible. This year, we launched materials in multiple languages including Bengali, Polish, Romanian, Urdu, Punjabi and Welsh, and video resources in British Sign Language. We also continued to grow our range of audio, Braille and Easy Read content.

A lifeline of support

Demand for our Heart Helpline grew significantly, with nearly 30,000 contacts over the year, up 20% from the previous year. This growth was supported by targeted marketing and new tools like a chatbot to improve user accessibility.

The Helpline remains a trusted source of expert support. 91% of users said the nurse they spoke to provided helpful information or guidance.

As in previous years, the most frequent enquiries involved medication, symptoms, test results and treatment options, underlining the ongoing need for accurate, empathetic, and expert advice.

37 million
views of health content on BHF website

A spotlight on Heart Month

Once again, we used February's Heart Month to encourage as many people as possible to learn CPR with RevivR. We kicked off the month by revealing that around half of people (51%) who live with their partner say the fear of causing harm would make them reluctant to give CPR if someone had a cardiac arrest in front of them.

With eight out of ten out-of-hospital cardiac arrests happening in the home – meaning you're more likely to have to give CPR to a loved one – we urged couples to brush up on the lifesaving skills ahead of Valentine's Day. We went on BBC Breakfast and Sky News with people who had saved their loved ones using CPR, and told stories across the four nations to promote RevivR.

Many of our partners joined in too. Sky Bet donated £1,000 for every goal scored across the 178 fixtures in the English Football League during February, raising an incredible £555,000. As Headline Supporter of RevivR during Heart Month, AJ Bell Futures Foundation donated £5 for every RevivR completion raising £50,000.

Admiral Slots focused on encouraging their customers to use RevivR, playing a RevivR radio ad hourly on in-store radio in all 280 venues. Travelodge also encouraged customer RevivR engagement through external comms channels, including a website blog, LinkedIn posts and a customer email.

It was BHF's best Heart Month yet, with an incredible 32,700 people trained in CPR, £1m raised across fundraising and retail, and over a thousand pieces of media coverage.

> **"I would urge everyone to learn CPR because it could be your loved one who needs it"**
>
> Krystalla Panayi-Davidson, CPR lifesaver

180,720 RevivR
learners in 2024-25

311,000
RevivR learners to date

over **1,000**
pieces of media coverage

Over **£1m**
raised during Heart Month

2,288
new schools registered for Classroom RevivR

32,700
new monthly record of RevivR learners

Community Voices

The new Community Voices newsletter shares key BHF information with our network of 13 community organisations, such as Feeding Britain, and the South Asian Health Foundation. We have also established a Community Engagement Advisory Forum by recruiting the Caribbean & African Health Network, the South Asian Health Foundation, the British Islamic Medical Association, Food for Purpose and the Race Equality Foundation to be founding members.

NCD Alliance Scotland

In October, BHF-led Non-Communicable Disease (NCD) Alliance Scotland, in collaboration with global public health experts, launched a ten-year strategy for a healthier, fairer future for Scotland. The report received extensive media coverage in Scotland and was well received by Public Health Scotland, who are now launching a new public health framework.

10 Year Health Plan

BHF has been heavily involved in the UK Government's process to develop a new 10 Year Health Plan, which seeks to build a health service fit for the future. We sat on a working group to help define a new vision for prevention, ran three patient "workshops in a box" and submitted written evidence.

Enabling CVD prevention

We have commissioned The King's Fund to identify what work integrated care systems are doing on cardiovascular disease prevention and the barriers and enablers that impact success. The aim is to make recommendations for how these can shift to a more preventative approach to health.

Bias and Biology

In November, we highlighted the inequalities faced by women with heart disease through the launch of the Bias and Biology: Heart Attack Gender Gap report in Northern Ireland.

The report makes eight recommendations to tackle these inequalities, which will inform the Women's Health Action Plan that the Department of Health in Northern Ireland is currently developing.

"We want to change the public perception of women and heart disease."

Dr Charmaine Griffiths, Chief Executive

Hearts Need More

BHF's Hearts Need More campaign has gone from strength to strength in the last year, seeking commitment and action from the UK Government, in response to the current heart care crisis.

In September, we launched our official Hearts Need More report, outlining the action needed by the new Government with an event at BHF offices. We exhibited Hearts Need More at Labour and Conservative party conferences, supported by a successful public 'Email Your MP' action, which enabled us to engage with approximately 110 MPs and other parliamentarians across the conference season, including through our presence at the Liberal Democrat party conference.

"We need to hear that the Government is taking this heart crisis seriously."

David and Frankie Seaman, BHF Ambassadors

In December, we delivered our public pledge, which called on Government to prioritise heart disease and was signed by over 46,000 people, to Number 10 Downing Street. Our Chief Executive Charmaine Griffiths was joined by MPs, BHF Ambassadors, and BHF supporter James Wilkinson whose heart surgery was delayed five times in 2020. The hand-in was covered by Channel 4 news and we received a formal response from the Government in May.

We held our Hearts Need More Parliamentary Reception, and brought almost 50 organisations together around a call for a National CVD Plan. In 2024-25, we secured major coverage of our analysis of trends in premature CVD death, in both the media and in Parliament.

Schoolchildren across NI to become lifesavers

Classroom RevivR has been launched in Northern Ireland to equip thousands of schoolchildren with essential lifesaving skills. Classroom RevivR, supported by our partner Royal Mail, is a game-changing tool that makes teaching lifesaving skills to students aged 11 to 16 easy and fun. It meets Northern Ireland curriculum standards and can be taught in one easy lesson plan – minimising teachers' workload.

Working together, young people will learn the difference between cardiac arrest and heart attack, how to respond to an unconscious person and how to make an emergency call, how to use a defibrillator and how to perform CPR safely.

Future focus

Transform

Transform the information, care and support available to all people affected by heart conditions

We are proud of our progress in 2024-25. Our new strategy sets out our Future Focus in this area, underpinned by our priority to transform information, care and support.

Funding cutting-edge research and innovation is the beating heart of BHF. But we need to turn the knowledge this research generates into improvements in care, into the information and support that helps people manage their conditions, and into transformational influencing campaigns that save and improve lives.

With our health systems in crisis and heart health inequalities widening, our work in these areas has never been more needed. In our strategy, we set out to reach more people with this vital work.

We will increase our investment in innovations that have the potential to transform heart care. We will make our health information and support available to millions more people when they need it most. And we will continue in our mission to create a Nation of Lifesavers, trained in CPR and able to access a defibrillator in the ultimate medical emergency.

Our objectives:

- Grow the scale and scope of BHF's healthcare innovation funding, leading to pioneering models of care being rolled out across the NHS.
- Make BHF's information and support available to every family in need, at the point of need.
- Grow the number of people trained in CPR and able to access a defibrillator, contributing to an improvement in out-of-hospital cardiac arrest survival rates.
- Influence the Governments and health services in all four nations to prioritise tackling cardiovascular disease and reduce health inequalities.

"Reimagining how we prevent and treat heart disease and stroke is key to transforming the nation's health."

Professor Bryan Williams,
Chief Scientific and Medical Officer

Support and income

The world has changed so much since BHF was formed more than 60 years ago, and we have never been more needed. Just as it was in 1961, the generosity of our supporters, customers, volunteers and partners is vital in powering the lifesaving breakthroughs millions of people need – and we must have the resources in place to power the lifesaving progress we have promised the nation.

Amid a complex and challenging retail and fundraising environment, our mission continues, to inspire even greater support and income – so that we can stop heart disease before it starts, save more lives from heart disease, and support everyone with heart disease to live a longer, healthier life.

Our 2024-25 priorities

In the face of an ever-changing and challenging fundraising environment, the dedication of our colleagues, volunteers, partners and supporters have generated an incredible £129.6m in net income to help us push the boundaries of science and deliver lifesaving research.

At the start of the year, we set out to make significant progress in the following areas:

1 Generating more fundraising income, including an increased proportion from high value audiences

- Continue our 'This is Science' brand activity.
- Introduce new content to help people better understand our cause.
- Drive philanthropic income.

2 Generating more income from our commercial operations, with an increased proportion from online retail

- Continue to optimise our retail footprint and the use of technology to drive income.
- Drive online retail growth.
- Continue roll-out of MyVan, our customer-facing logistics solution.
- Grow corporate defibrillator and health partnerships.

3 Ensuring our supporters have an outstanding experience

- Transform relationships and improve lifetime customer value.
- Deliver our website transformation.

Fundraising income

This year, BHF delivered its highest ever fundraising income of £166.6m, including £108.4m from legacies and £58.2m from other fundraising.

Despite the continued economic pressures facing the sector, our overall performance remains strong. We've also seen major wins in high-value fundraising, including contributions from Sky Bet and Omaze. Our work has been possible thanks to the incredible generosity and commitment of all those who fundraise and donate to us. Building on our 'This is Science' activity, we helped more people to better understand our cause. We are also continuing to make good progress on website transformation, improving content discoverability and user experience, to in turn support income growth.

Legacy success

Thanks to the generous gifts left by more than 2,800 people in their Will, legacy income reached £108.4m. Our Free Wills guide and Free Will services were used by over 18,000 people.

This is the highest total ever recorded and only the third time that legacy income has exceeded £100m, partially reflecting the long-term investment we've made in encouraging more people to leave gifts in their Wills.

£108.4m
in legacy income

Groundbreaking partnerships

Corporate partners and community events are powering our mission. In 2024-25, our partnerships helped raise £12.4m – funding world-leading research, delivering lifesaving education, and driving powerful public engagement. Together, we're reaching millions more people, in more meaningful ways, than ever before.

Creating lifesaving communities

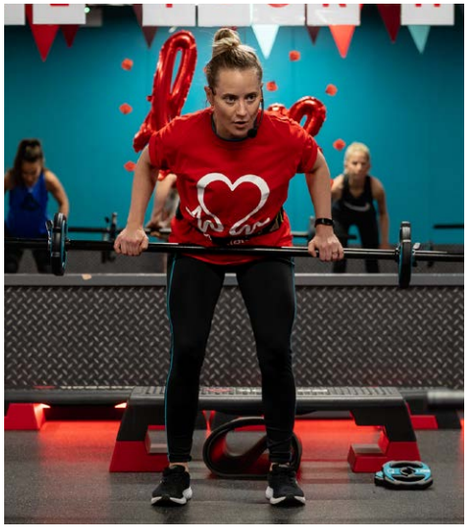
In just two years, our partnership with Royal Mail has raised a phenomenal £1m. Together we've trained more than 77,000 young people in CPR, provided trusted information and support, and funded more than 250 public access defibrillators in communities across the UK.

The extraordinary partnership between BHF and Sky Bet has already engaged with 275,000 people on the lifesaving skill of CPR, and funded over 80 public access defibrillators in the communities that need them most.

"Losing our much-loved band member Paul to an undiagnosed heart condition last year, brought the importance of BHF's work sharply into focus for us. We know the money raised by this fantastic Omaze partnership is hugely important to the charity, therefore it's important to us too."

S Club, BHF Ambassadors

Groundbreaking partnerships



As BHF celebrates ten years in partnership with Tesco, together we are supporting the nation's heart health by providing free blood pressure checks in Tesco pharmacies, and sharing delicious, heart-healthy recipes with shoppers nationwide. The Health Charity Partnership between Tesco, BHF, Cancer Research UK and Diabetes UK continues to tackle some of the UK's biggest health challenges, raising an incredible £3.5m in the last year.

Embedding heart health into everyday life

In workplaces, gyms, hotels and schools, our partners are integrating heart health into daily routines. PureGym reached £1.5m raised through staff fundraising, member and company donations. Its Recycle for Research scheme has reached the £500,000 milestone and is now live in over 420 gyms. During Heart Month alone, PureGym, their colleagues and members raised £127,000.

Travelodge achieved a major milestone of raising £1m, while making CPR training mandatory for all new employees. Nearly 6,000 colleagues have completed training so far, with 10,000 more pledged in the next two years.

Raising lifesaving funds

Admiral Slots continues to prioritise colleague wellbeing and community impact,raising £480,000 and training over 5,000 colleagues in CPR since the start of our partnership. Over 40 venues now have defibrillators on site.

Childbase Partnership celebrated its 35th anniversary by raising over £175,000 for BHF – surpassing its original target by £50,000. It's a powerful example of how organisations can mobilise whole communities behind a shared cause.

Fuelled by innovation and scale

The Omaze community raised a phenomenal £4.6m through the Omaze Million Pound House Draw, Bath. The money will help power the running of The Circuit for two years, and will enable hundreds of defibrillators to be installed on high streets across the UK.

We are also grateful for AJ Bell Futures Foundation's continued support of RevivR, and their funding to enable the installation of over 120 public access defibrillators in communities of greatest need across the UK.

Recycle for Research scheme has reached
£500,000
and is in over 420 PureGyms

'Til I Died
Shifting the perception of heart disease

To coincide with the UEFA Euro 2024 tournament, 12 powerful murals were unveiled to highlight the tragic reality that 12 young people under the age of 35 are lost each week to sudden cardiac death in the UK. Each painting commemorated a talented young footballer or fan who died too soon.

We also beamed images of the England fans' murals onto key sites around the Euro 2024 final held at the Olympiastadion in Berlin, Germany, reaching an audience of 686 million. The campaign was supported by a new survey from BHF that revealed the nation is largely unaware of the devastating effect heart disease has on young people.

The survey also revealed that 27% of Britons don't believe a heart condition can affect you if you are aged under 35.

The campaign resulted in nearly

600

pieces of media coverage with an advertising value of

£1.9m

"The same as all of you, I'm heartbroken reading the stories of our 12 young football fans, and incredibly moved by the bravery of their families who have been so open and willing to share these stories with the nation.

To the families of Chris, Claire, Danny, Jake, Jamie, Jenny, Joseph. Josh, Libbey, Myles, Taylor, and Tom – you are truly inspirational. And on behalf of everyone at BHF, you have my gratitude, for helping us raise awareness of how we can change this tragic reality for future generations."

Dr Charmaine Griffiths, Chief Executive

ENGLAND 'TIL I DIED
TOM, 23
ENGLAND 'TIL I DIED
MYLES, 15
ENGLAND 'TIL I DIED
JENNY, 22
SCOTLAND 'TIL I DIED
JAMIE, 13
British Heart Foundation
ENGLAND 'TIL I DIED
JOSH, 24
SCOTLAND 'TIL I DIED
CHRIS, 22

Philanthropy

Supporters of BHF have been the driving force behind our impact for over six decades.

Philanthropic donations empower us to set bold ambitions, to seize new opportunities, and to fund pioneering research that might not otherwise get off the ground.

Thanks to our philanthropic supporters, some of the world's brightest minds can seek answers to the most complex and pressing questions in cardiovascular science. From leading experts to PhD students at the dawn of their careers, BHF-funded researchers are pursuing discoveries that could change the future. And for people living with cardiovascular disease today, BHF provides comprehensive and compassionate information and support services: a lifeline made possible by our visionary donors.

We extend our warmest thanks to the following philanthropic supporters:

Jenifer Barton and family, and Charities Aid Foundation

The Doreen and Ernie Wise Charitable Trust

The Elwyn Thomas Memorial Fund

Karen Frank and Hazem Ben-Gacem

Market Finance Solutions Limited

The Michael Cornish Charitable Trust

The Moondance Foundation

Peter Dixon Charitable Trust

Rosetrees Trust

ShareGift

Mr Charles Wilson and Dr Rowena Olegario

Introducing Pulse

Pulse is a new collective of BHF's most transformative supporters, including private individuals, corporate partners, charitable trusts and philanthropic foundations.

Giving over £40m to BHF to date, this exclusive community has enabled BHF to redefine the limits of cardiovascular research and care – changing and saving countless lives.

Pulse may be new, but its members have already helped make history and are helping today to build a brighter future. They have contributed to substantial advances in personalised approaches to prevent heart attacks and strokes. They have supported CureHeart, an international team that is pushing towards a world-first cure for deadly genetic heart muscle conditions. And elsewhere, their contributions have saved lives by increasing access to defibrillators, as well as teaching people the critical skills of CPR.

Giving over £40m to BHF

The group was launched alongside 'Heartbeat Constellations', a new recognition wall to celebrate Pulse. As well as members' names, the wall features a bespoke digital artwork created by recording unique biometric data from each Pulse member. Through digital technology, the wall captures and converts the particular 'heartbeat signature' of each Pulse member into beautiful constellations of light and colour.

Celebrating and thanking our supporters across the UK

In June, more than 10,000 cyclists signed up to our flagship event, the London to Brighton Bike Ride, generating £2m. Among them were scientific leaders like Sir Patrick Vallance, BHF trustees, and staff – all united by a passion to beat heart disease. We have been broadening the appeal of our iconic bike ride and are attracting more and more beginner cyclists. We understand how important the safety aspects are to them and their need for easier logistics to get to and from the ride. We have developed more travel and bag drop options and worked hard to reassure them about the largely traffic-free route – something that sets us apart from other bike rides.

Our smaller events, the Bournemouth Pier to Pier Swim in July and the London to Brighton Off-Road cycling event, for mountain bikers, in September, united nearly 3,500 participants and raised almost £1m.

This was our first year as official charity partner of the AJ Bell Great Run Series including the iconic Great North Run. More than 5,000 runners took part in one of the six events in the series and raised an incredible £880,000. We had some incredible supporters running for us, including Fraser Franks, former footballer and BHF ambassador, who ran the AJ Bell Great North Run in September.

Our base of mass fundraising supporters continues to grow year-on-year as we add more acquisitions to our loyal supporter base. We have a significant base of Regular Giving and Lottery customers who make up the majority of our mass fundraising regular income. Our large-scale campaigns at significant calendar moments make generous contributions to our overall fundraising income and have also resulted in more than 30,000 RevivR completions.

£58.2m
our highest ever fundraising income

We are incredibly grateful to our fundraisers in local communities who collectively raised £5.5m. Support included:

Lake to Lake Challenge

Tim Knight, Tim Fairley and David Kennedy, all 56, cycled from Hollingworth Lake near their home town of Littleborough to Lake Garda in Italy to raise funds for BHF and Spring Hill Hospice.

The epic cycle ride was in memory of their friend Simon Taylor (also known as Teddy), who died of a heart attack in 2023. So far both Tims and David have raised over £100,000 for the two charities.

A very special volunteer

Ann Hartley, who won the Outstanding Contribution Award at December's Heart Hero Awards, began bucket collections in 2008 after losing five members of her family to heart disease. She has raised thousands of pounds for BHF through collections across the North West of England, in an effort to contribute to research that could help her family and countless others around the world.

Business Board

BHF Business Boards continued to go from strength to strength with the recruitment of our fourth board, the Asian Business Board in Birmingham. Our four current boards now comprise Newcastle, Birmingham, Oxford and Bristol.

Business Boards were launched in 2021 with the aim of bringing together passionate business supporters to raise significant income and awareness within their local business networks.

Allstars Ice Hockey

For the last 15 years, the UK Charity Allstars Ice Hockey event has encouraged hundreds of players to take to the ice and play in a fast, fun tournament all for amazing causes.

In 2024 Team BHF raised over £18,000.

Commercial and retail update

Against the backdrop of a challenging retail landscape, BHF's shops and stores continued to play a vital role in our mission. The wider high street saw flat or declining sales in 2024–25, and our own performance mirrored that, with overall sales remaining broadly flat year-on-year. In this context, holding steady is an achievement, and a credit to the hard work and dedication of our retail teams and volunteers.

The trading environment was defined by persistently low consumer confidence and falling prices for recycled goods (RAG). At the same time, inflation and the April 2024 National Living Wage rise of 9.8% significantly increased costs across the organisation. This pressure on profitability was compounded by indirect cost rises passed on by suppliers.

Despite these headwinds, our strategy remained focused on delivering exceptional customer value and sustaining investment in innovation across our 665 shops and stores – reaffirming our position as the UK's largest charity retailer. Initiatives such as our 'Discover more for less' campaign and partnerships with corporate supporters have helped us adapt and evolve.

Our ecommerce business continued to outperform, with online sales up 15% on the prior year, cementing our place as the world's leading charity

eBay seller. We sold over 530,000 items online in 2024–25, including a rare Xbox console which sold for an incredible £7,700.

We continued to test our new digital system to transform our collections and deliveries van service. The programme, known as MyVan, will accelerate our impact by plotting the most efficient routes in an instant, simplifying our processes and improving the experience for our customers.

Our retail network is also central to BHF's visibility and mission. Campaigns like till 'round up' raised approximately £2.5m from 945,000 generous donors, an incredible example of retail driving both income and awareness.

Meanwhile, sales of defibrillators and blood pressure monitors continue to support heart health directly, and continue to grow our commercial footprint, alongside the delivery of our Health at Work programme. The programme offers tailored solutions to support organisations in improving their staff wellbeing and learning to reduce their risk of cardiovascular conditions.

None of this would be possible without our incredible volunteers whose time, talent and commitment are at the heart of our success.

COSTA
COFFEE
Superdrug
next
British Heart
Foundation
Home & Fashion
Hello Hull

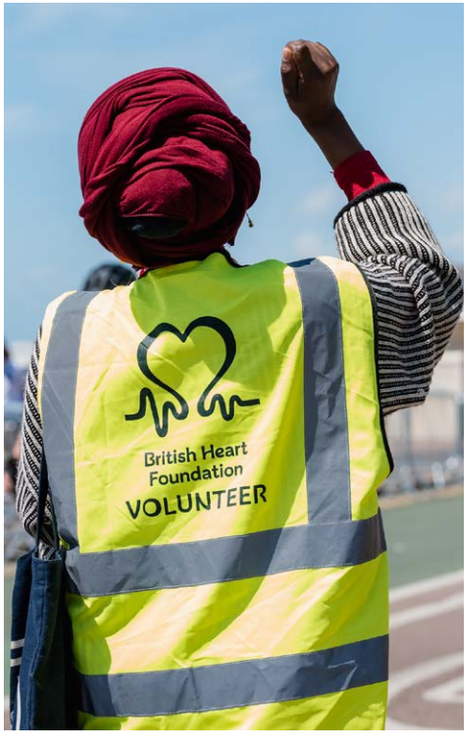
The power of BHF volunteers

This year, BHF was supported by more than 20,000 volunteers, each generously contributing their time, talents and energy in a wide range of roles, and all united by one goal: helping to keep hearts beating healthier for longer.

Every single day, BHF volunteers are making a difference across the UK. You might have seen them welcoming swimmers as part of the Action Team at the Bournemouth Pier to Pier challenge, serving customers at the Cardiff Home Store, collecting donations in West Lothian, or listing items for sale at our eBay hub in Leeds. Wherever they are, they're proudly flying the flag for BHF.

Their impact is remarkable:

- Over 3.6 million volunteer hours contributed in our shops and stores.
- Support across 58 campaigns and challenge events.
- Organising 245 fundraising events, raising more than £700,000 to help fund our lifesaving work.



We are proud to offer engaging, inclusive and meaningful opportunities, which is reflected in our volunteer feedback – 95% saying they'd recommend volunteering with BHF, and 91% feeling their skills are well used.

Edgware Home Store Volunteer, Meena with Assistant Manager, Camilla, with the Volunteer Team of the year award. Volunteering since 2023, Meena is part of an incredible team who welcome and encourage all volunteers to take part and find a role they enjoy.

"From the moment you walk in the store, the warmth and energy of the Edgware volunteer team is present and their steadfast commitment to inclusivity brilliantly exemplifies the values of BHF."

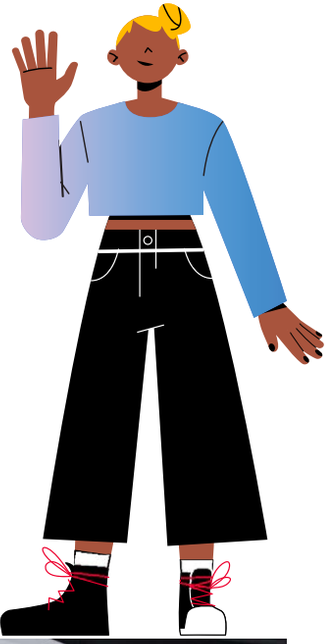
Anna Croghan, Head of Volunteering

Volunteering as a pathway to growth

People choose to volunteer with us for many reasons: to support our cause, to give back to their communities, and often, to build new skills. For those seeking to boost their confidence or prepare for employment, volunteering for BHF offers a valuable stepping stone.

We're proud that 20% of our retail staff vacancies this year were filled by former volunteers, which is a testament to the personal development, experience and connection volunteering can offer.

3.6 million
volunteer hours



Future focus

Inspire

Inspire more support and income to power lifesaving research

We are proud of our progress in 2024-25. Our new strategy sets out our Future Focus in this area, underpinned by our priority to inspire more support and income to power lifesaving research.

The breakthroughs that have saved and improved countless lives over the last seven decades have only been possible thanks to the generosity of our incredible supporters, partners, volunteers, and customers.

But the world is rapidly changing. And we need to evolve with it if we're to raise the funds necessary to fuel our ambitions.

In our strategy, we commit to growing our fundraising income by building lifelong relationships with our supporters and building partnerships with high-value donors and organisations who share in our passion for supporting lifesaving discoveries. Furthermore, we will strengthen our position as the UK's leading charity retailer, both online and in people's communities.

Our objectives:

- Raise the profile of cardiovascular disease as the world's biggest killer.
- Grow our fundraising income by expanding our supporter base and the value of their support.
- Strengthen our position as the UK's leading charity retailer, by evolving our offer in response to changing market conditions and customer demands.
- Transform our organisation to be truly customer-centric in everything it does.

Royal Mail
Protecting heart health and
saving lives in our communities.

Striving for excellence

BHF is here to keep families together for longer, through lifesaving science. We're going further than ever before, but we are determined to fund research for cures and treatments in a sustainable way, making a positive impact on people and the planet. This includes being a truly inclusive organisation, improving how we care for our colleagues and the communities we serve, how we fund research, and how we manage our shops, stores and other resources.

Our 2024-25 priorities

As well as supporters, BHF is powered by its people. If we're going to deliver our mission, we must create a better BHF, and play our part in creating a better world – for everyone. This means embracing technology to improve the efficiency and effectiveness of every area of our work. It means investing in our people, ensuring we have a diverse, highly skilled and agile colleague and volunteer base that are equipped to fuel our ambitions.

At the start of the year, we set out to make significant progress in the following areas:

1 **Becoming a better BHF by continuing to improve BHF value proposition experienced by all staff and volunteers**

- Identify future skills and talent needed for BHF (Future FIT programme).
- Embed a continuous improvement mindset.
- Enhance employee value with better benefits and career opportunities.
- Create a more inclusive experience for colleagues and volunteers.

2 **Transforming our use of technology to become fit for the future**

- Progress the Enterprise Foundations programme to enhance technology and infrastructure.
- Strengthen information security measures.
- Leverage AI responsibly.

3 **Becoming a sustainable organisation**

- Implementing and communicating activities in our Environmental, Social and Governance (ESG) roadmap to achieve our aim of being a net zero organisation by 2045 at the latest.

Building a better BHF

A more inclusive experience for our colleagues

We recognise the importance of ensuring BHF offers an environment that allows all our colleagues and volunteers to thrive. Igniting Change, our equality, diversity and inclusion (EDI) strategy, continues to deliver positive improvements to ensure this is the case.

Completely modernise
the way we work …

Every year we reinforce our EDI commitment through a colleague engagement survey, to help us understand how we can continue to improve. One of the most important questions is whether BHF has created an environment where people of diverse backgrounds can succeed. Last year we were at 86% and set a target score of 90% for January 2025 which we are pleased to say we achieved this year!

This year we were also pleased to see that 90% of BHF colleagues agreed they are treated fairly, irrespective of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, and sexual orientation – another of the targets from our Igniting Change strategy.

We have also continued working to establish the skills and talent BHF needs to thrive in the future through our Future Fit programme, which concludes next year.

Colleagues frequently organise internal events to foster a sense of belonging, often led by one of our Affinity Groups which serve as a focal point for colleagues with shared interests to come together. This year we enjoyed a fantastic and joy-filled celebration of Diwali at both our London and Birmingham offices.

Enhancing our benefits

We aim to empower and support the health and wellbeing of everyone who works at BHF, and so we continually review our staff benefits to ensure they are fair and attractive both to current and potential employees. This year we added a holistic and flexible Support Leave provision for everyone. This provides extra paid time off to support colleagues or others close to them during a life event.

At the start of the financial year, we also began to offer

Building for the future...

12-weeks' paid time off for all family leave including maternity, paternity, shared parental and adoption leave. We remain committed to offering returning parents and guardians, as well as all new recruits, the opportunity to work flexibly, helping to attract and retain colleagues from a wider talent pool. This has contributed to our median gender pay gap remaining balanced, moving in the last year to 1.7% in favour of women, from 0.7% in favour of men. Our median ethnicity pay gap continues to favour colleagues from ethnic minority groups and has increased slightly from 7.4% to 9.2% over the past year.

Transforming our technology

Our technology strategy continues to prioritise major improvements to collaboration, security, and efficiency in our operations. At its core it is an organisation-wide investment programme designed to accelerate our impact and ensure BHF can adapt to an ever-evolving digital environment.

Creating a data-led organisation

During 2024 we began a multi-year transformation programme to become truly customer-centric, driving better outcomes and experiences for supporters and enabling our future growth. Referred to as Enterprise Foundations, this programme will significantly improve how we use data to guide our decisions and generate greater insights, through a combination of modern technologies and integrated systems. As part of this programme, we will modernise and secure our technology estate, including the replacement of our Retail system.

Building for the future, Enterprise Foundations will utilise cloud-first technologies and completely modernise the way we work, providing colleagues with the necessary skills and capabilities to drive insight-led operations, and maximise the huge opportunities available.

Securing BHF

It has never been more important to ensure the safety of our data and information, and the Enterprise Foundations transformation programme will help strengthen operations across BHF. We continue to invest in systems and projects to provide enhanced security standards across our people, systems and processes. During the year we became Cyber Essentials Plus accredited across our non-retail estate, ensuring alignment to the NCSC's standards for cyber security across our BHF technologies.

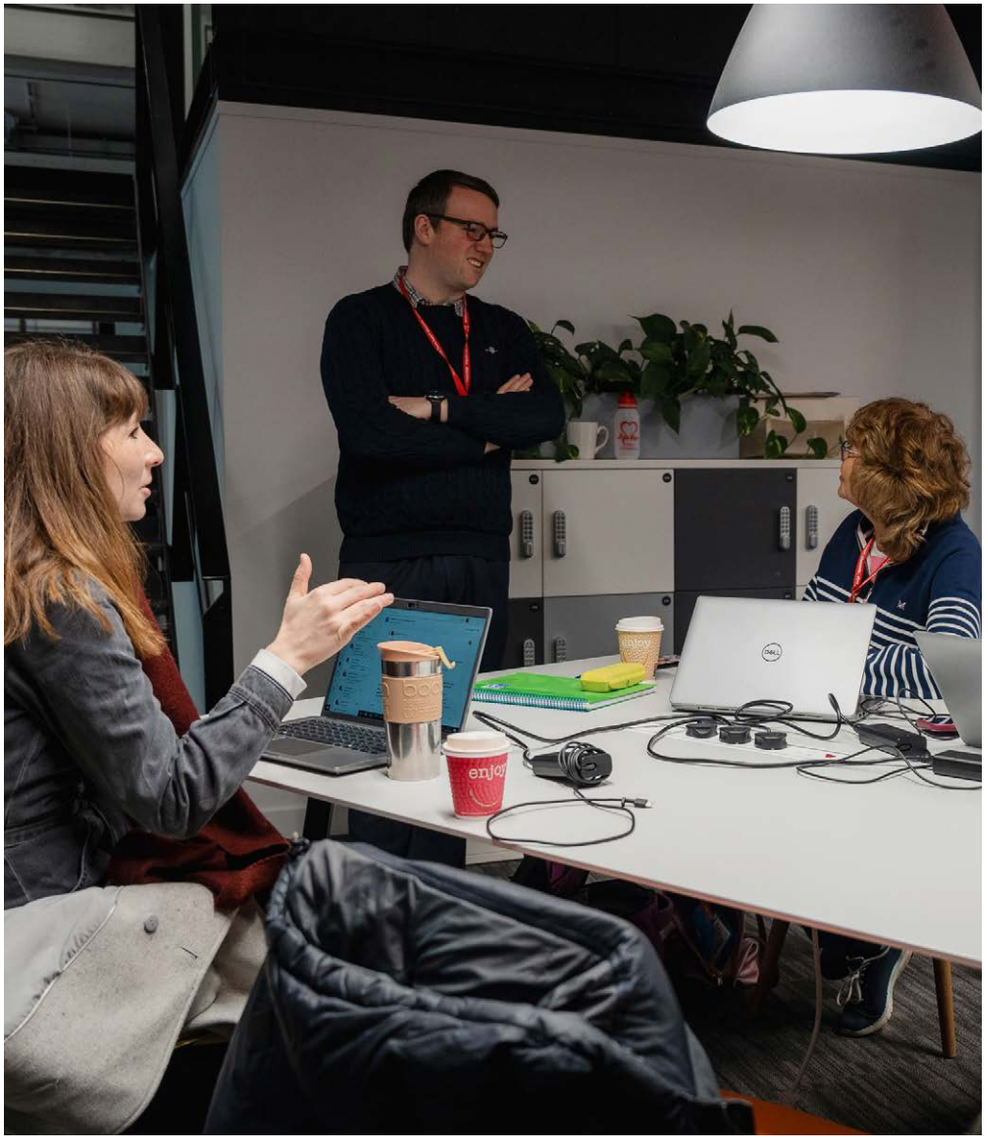
Leveraging AI, responsibly

We continue to explore responsible usage of artificial intelligence, steered by BHF's AI Strategy. Guiderails, including our Responsible and Ethical AI framework were introduced during the year, ensuring appropriate decision-making in relation to AI.

Many office-based colleagues now have generative AI technologies to support their day-to-day work, gradually improving efficiency and effectiveness. Other AI initiatives are ongoing, with exciting progress in our donated stock journey application. When complete, this Enterprise Foundations initiative will optimise pricing and routes-to-market through AI recommendations.

Everyday excellence

In March, we launched Everyday Excellence, our exciting approach to fostering an improvement mindset. This programme aims to share continuous improvement skills and celebrate innovation, empowering staff to make small, manageable changes to how we work, within a culture of psychological safety.



Being a sustainable charity

Every year we make further progress towards ensuring BHF is a socially, environmentally and financially sustainable organisation.

When it comes to environmental factors, links to cardiovascular disease are clear. Research shows that people living with cardiovascular disease are more likely to be negatively impacted by extreme weather such as intense heat and cold.

We are dedicated to performing our lifesaving work responsibly and have committed to being a net zero organisation across Scope 1, 2 and 3 activities by 2045 at the latest. Our roadmap to achieving this includes a short-term target of reducing Scope 1 and 2 emissions by 50% and Scope 3 emissions by 30%, by 2030.

Responsible operations

Our sustainability targets are ambitious and have been designed in accordance with the Greenhouse Gas Protocol and the Science Based Targets Initiative (SBTi). Our roadmap to net zero has six focus areas.

Energy efficient and zero emission buildings

We continue to make our shops, stores and offices more energy efficient through the rollout of LED lighting and the replacement of older gas heating systems with more efficient options. Our consumption of electricity across our estate reduced by 2% this year.

Zero emissions transport

Having transitioned our company car fleet to either electric or hybrid vehicles, we continue to monitor electrification in the commercial van sector with interest. Trials of electric vans continue apace, although we are yet to find a larger vehicle that can meet our requirements, meaning progress is dependent on the market at this stage.

Product sourcing and suppliers

This year, we initiated efforts to work with our suppliers to gain a comprehensive understanding of the environmental impacts within our broader supply chains. Although logistically complex, as we engage our suppliers in dialogue about their own emissions, we anticipate a collective improvement. Consequently, we expect to see a reduction in Scope 3 emissions over the coming years. We will conduct our next carbon footprint assessment in 2025 and report the findings in our 2026 Annual Report.

Travel and logistics

We promote the use of public transport for staff travel and discourage travel when feasible, so we are pleased to report a reduction of 9% in staff fuel usage this year. Alongside this, we are also aware of the need to reduce the impact from third-party transport in our supply chain.

Waste and the circular economy

We have continued our efforts towards achieving our target of generating zero avoidable waste by 2030. This has involved the introduction of a comprehensive recycling service across all BHF sites and an ongoing review of our product packaging.

Additionally, we have undertaken extensive research to understand the environmental impact of unsellable donated goods.

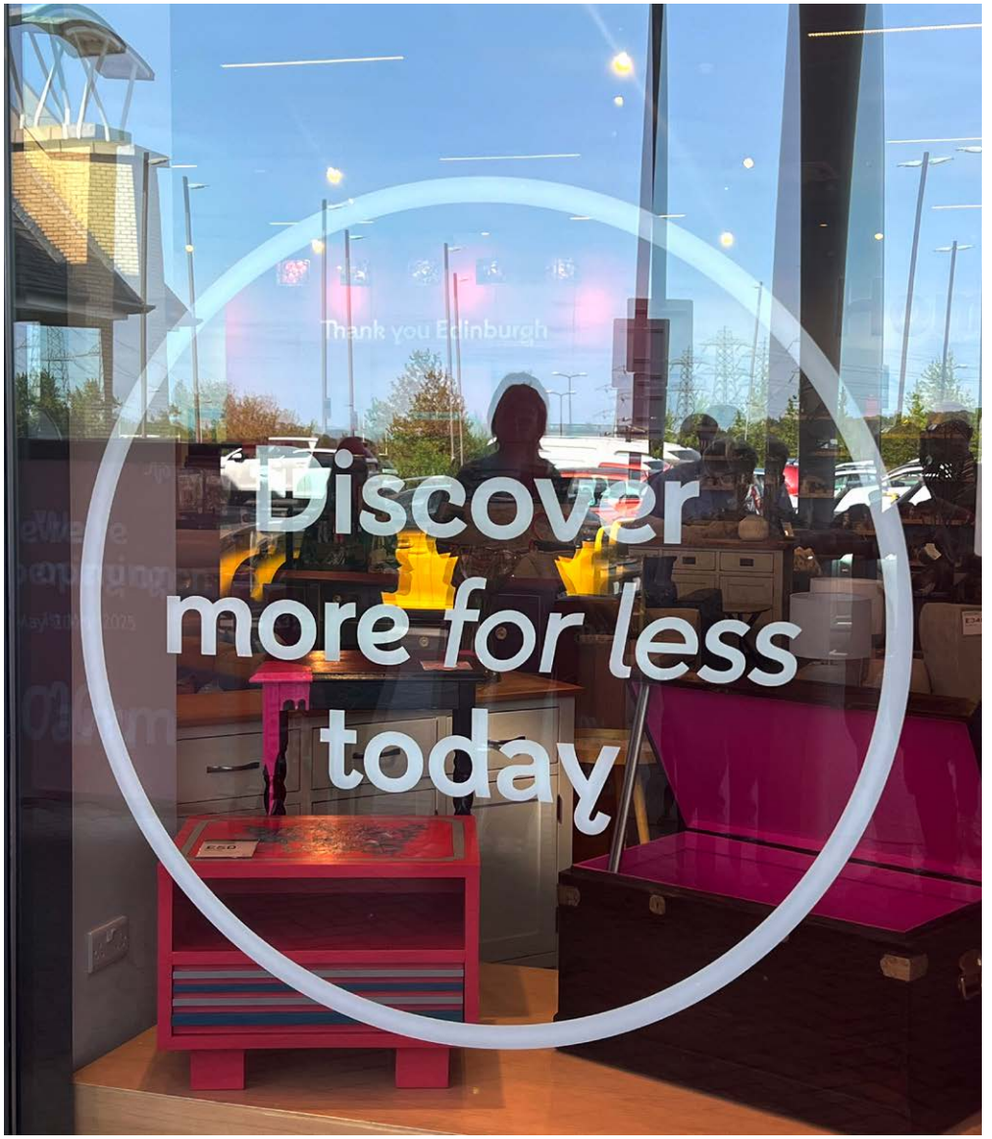
This has included detailed investigations into the textile recycling process, enabling us to identify ways in which BHF can mitigate the associated environmental impact.

Responsible research funding

We continue to work with the research community to understand and reduce the environmental impact of research, by developing sector-wide standards. Last year we became a signatory of the Concordat for the Environmental Sustainability of Research and Innovation Practice, along with over 70 institutions and funders. New Research Excellence Framework (REF) guidance has also reinforced the drive for environmental factors to be considered throughout research design.

In addition, we have established a comprehensive governance framework to ensure that prospective partners align with our environmental sustainability objectives. We are dedicated to collaborating with all our partners to share insights and practices that contribute to the reduction of environmental impact. Recently, Royal Mail has been notably generous in sharing their experiences regarding the electrification of their fleet and their journey towards achieving net-zero emissions.

BHF remains dedicated to investing our funds responsibly, in line with our mission and values. We already exclude investments in companies with strong links to tobacco and regularly engage with our investment managers to ensure the holdings in our portfolios align with our net zero ambitions or otherwise do not represent a direct conflict with our charitable mission.



Future focus

Accelerate

Accelerate impact by unlocking the potential of our people, technology and culture

We are proud of our progress in 2024-25. Our new strategy sets out our Future Focus in this area, underpinned by our priority to accelerate impact. Over the last seven decades, we've made incredible progress. But we know we can go faster and make an even bigger difference.

Our brilliant team of colleagues and volunteers will continue to be the heartbeat of what we do. But we will do even more to harness the power of our people, including by increasing the diversity of our workforce and investing in the skills to make us fit for the future.

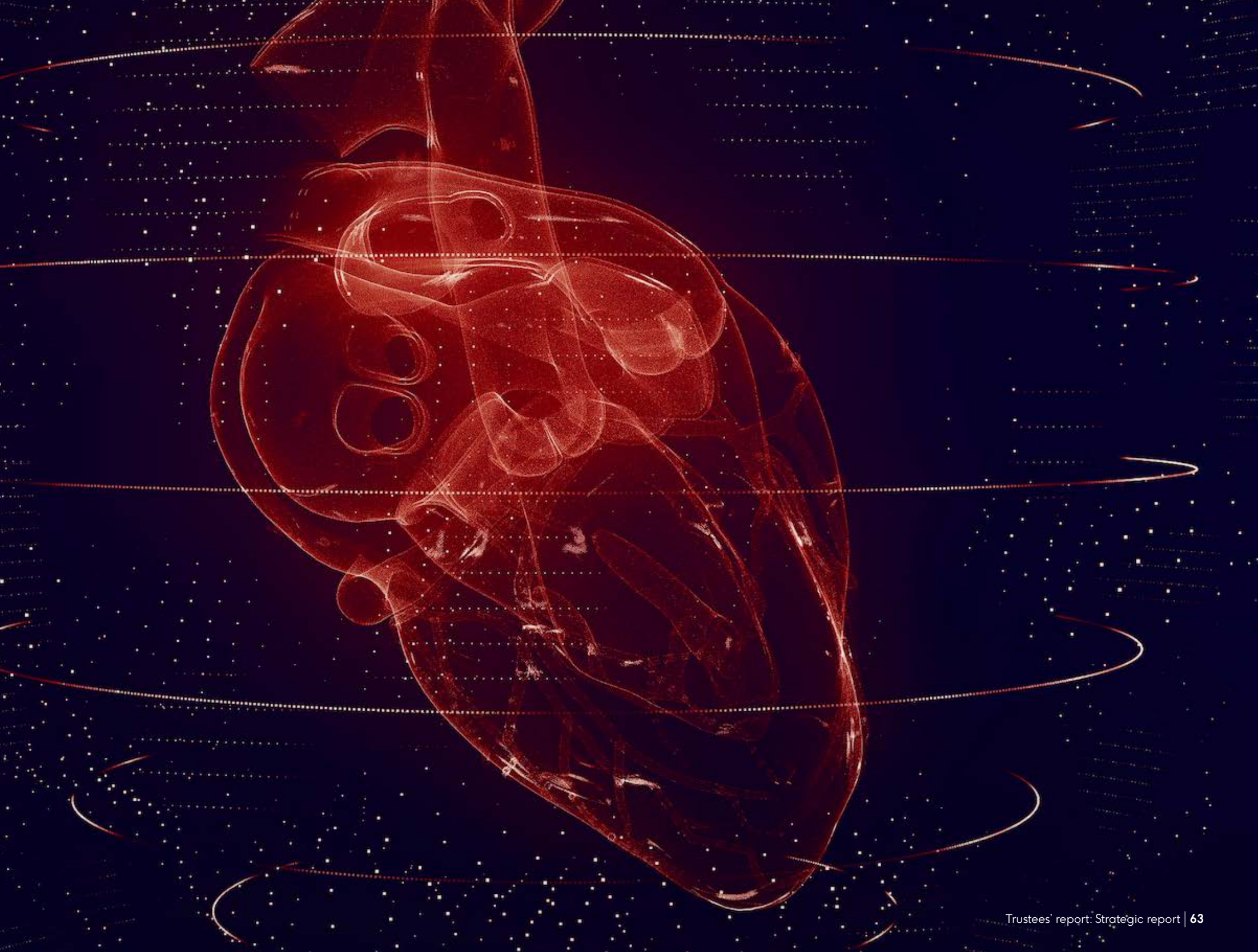
We will seek to utilise cutting-edge technologies to enhance the efficiency and impact of everything we do – from the lifesaving research and information we provide to the personalised experiences we offer our generous supporters.

And we will continue to commit to being an agile, well-governed and financially sustainable charity – making the best use of every pound entrusted to us.

Our objectives:

- Build, develop and empower a talented and diverse team to deliver BHF's mission.
- Transform our technology foundations, harnessing data and AI to significantly improve our security, income, customer focus and impact.
- Lead the charity sector in creating a sustainable, fair and well-governed BHF with equality, diversity and inclusion at the centre of everything we do.
- Create a culture of excellence where we consistently look for ways to learn, innovate and continuously improve.

British Heart Foundation
Welcome to BHF Tonbridge
Students 10% off donated items
Go Red for Heart Month
Wear red. Learn CPR. Donate to lifesaving research.
Changing Room
Shop preloved
Your Hearts
Research
Development
Treatment
Money
Donations



Financial review

Overview

We are pleased to report that, despite a challenging economic climate, BHF delivered a solid financial performance during 2024-25. This included record levels of legacy and fundraising income, which helped mitigate a decline in Retail profits reflective of the significant cost inflation impacting BHF and the wider economy. Nevertheless, the robustness of our core financial position ensured we continued making significant investments in our crucial research mission agenda, with £108.4m of new research grants awarded in the year.

For the year ended 31 March 2025, BHF generated income (net of retail costs) of £181.0m (2024: £180.4m).

However, after taking account of direct costs, net income fell by £8.8m to £129.6m (2024: £138.4m). While gross fundraising income increased by £10.5m, retail profits declined by £15.2m. Legacy income remained remarkably resilient, increasing by £7.0m to reach £108.4m the highest recorded for any year.

Overall the ratio of income available for charitable activities reduced to 72%, a decrease from 77% in the previous year, but still above our benchmark of allocating 70p of every £1 towards our lifesaving work. This reflected both the impact of reduced retail profit, combined with an ongoing commitment to invest in the future success of BHF.

Total charitable expenditure for the year was £146.2m, including £98.9m dedicated to medical research funding and £47.2m directed into healthcare facing activities to support people and families affected by cardiovascular diseases. New research grants awarded during the year amounted to £108.4m, down from £119.3m in the prior year, the latter including a £35.0m Research Excellence programme award which is made on a five-year cycle.

As detailed in the Group Statement of Financial Activities, the total expenditure for the year was £427.1m (2024: £416.7m), with £233.8m (2024: £222.6m) directly related to our trading operations, primarily our retail business. When discussing our results, the figures in the table on page 65 are used because we believe they reflect more clearly the performance of our retail and fundraising income activities during the year.

These activities resulted in a £16.5m deficit before considering the impact of investment gains, slightly lower than the deficit we ran in 2023-24. After accounting for investment gains of £10.5m (2024: £30.5m) we concluded the year with a deficit of £6.0m compared with a net surplus in 2023-24 of £12.7m.

Financial review

Statement of financial activity – Summary

	2025 £m	2024 £m	Movement %
Legacy income	**108.4**	101.4	7
Fundraising income [1]	**58.2**	47.7	22
Retail net profit [2]	**3.6**	18.8	(81)
Investment and other income [3]	**10.8**	12.5	(14)
Total income (net of retail costs)	**181.0**	180.4	0
Direct costs of generating funds [4]	**(51.4)**	(42.0)	22
Total net income	**129.6**	138.4	(6)
% of total income available for charitable purposes	**72%**	77%	
Research	**(98.9)**	(116.7)	(15)
Health	**(47.2)**	(39.5)	19
Total charitable expenditure	**(146.2)**	(156.2)	(6)
Net (expenditure) [5]	**(16.5)**	(17.8)	7

Notes

1. Fundraising income comprises donations of £42.7m (2024: £33.7m), volunteer fundraising of £7.6m (2024: £7.1m) and income from fundraising trading activities of £7.9m (2024: £6.9m)

2. Retail net profit comprises retail net profit of £0.0m (2024: £15.2m) and income from donations received in BHF shops of £3.6m (2024: £3.6m)

3. Investment and other income comprises £0.3m from charitable activities (2024: £2.1m), £10.0m from investments (2024: £10.3m), and £0.5m from other sources (2024: £0.1m)

4. Direct cost of generating funds comprises total fundraising costs of £47.2m (2024: £37.9m) and costs of fundraising trading of £4.2m (2024: £4.1m)

5. Net (expenditure) before gains on investments

Financial review

Net income

In 2024–25 BHF generated total income of £181.0m (2024: £180.4), inclusive of the return generated from our retail trading activities. After direct costs, this resulted in net income available for charitable activities of £129.6m, a 6% reduction from the previous year (£138.4m).

We were pleased to see the highest ever income recorded from legacies and fundraising this year. Legacies remain the primary contributor, reaching £108.4m, the highest to date (2024: £101.4m). Generous residuary bequests (a share of estate) account for the majority, again demonstrating the public's dedication to supporting BHF's critical mission. Additionally, our other fundraising activities also recorded a record-breaking year, with total income of £58.2m (22% growth compared to 2024: £47.7m). This excellent performance, underscored by significant efforts in enhancing our brand and marketing strategy, was particularly evident across Events, Philanthropy and Corporate Partnerships, which notably included another partnership with Omaze, valued at £4.6m.

We are proud to operate the largest charity retailer in the UK and the largest eBay charity retailer in the world. However, that does not mean we have been immune to the challenging trading environment in the UK this past year. Turnover, inclusive of donations received in shops and stores, declined by 2% to £233.2m, compared to £237.3m in 2023-24. Like-for-like sales also declined by 2% in total, 1% in our Home stores and 3% in our Clothing shops. Conversely online sales grew 15% to £17.0m, including sales of donated stock via eBay along with an impressive range of heart health products such as defibrillators, blood pressure monitors and portable ECG devices. On 31 March 2025, the portfolio consisted of 665 shops: 483 Clothing shops and 182 Home stores. Throughout the year, we opened 12 new outlets, relocated 5, and closed 19 as part of our optimisation strategy.

In contrast to the decline in turnover, retail trading costs increased by 5% to £229.6m (2024: £218.5m) reflecting ongoing investment in team pay and benefits combined with the wider inflationary pressures being felt by all high street retailers. As a result, Retail profit fell to £3.6m (2024: £18.8m). We continue to manage the situation carefully, ensuring we deliver incredible value to our customers from our sustainable, community-focussed retail channels.

Elsewhere, investment and other income reduced to £10.8m (2024: £12.5m), mainly reflecting a one-off grant from the Department for Science, Innovation and Technology bolstering prior year income (£1.8m).

The direct costs associated with generating funds increased by 22% to £51.4m, partly reflecting investment to drive longer-term income growth in fundraising. This resulted in net income available for charitable activities of £129.6m, a 6% reduction from the previous year (£138.4m).

Charitable expenditure

Total charitable expenditure in 2024-25 was £146.2m, down from £156.2m in 2023–24.

Financial review

Our five research funding committees awarded 247 new research grants worth £108.4m (2024: £119.3m), including supplements made to new and existing grants. The Chairs and Programme Grants Committee awarded £46.4m, of which £12.0m was a joint funding initiative with the Medical Research Council (MRC) to support large scale studies and strategic research infrastructure, £5.0m was awarded to Our Future Health, the UK's largest ever health research programme, alongside awards of £9.8m for programme grants and £9.3m for special projects (including £2.5m to The Francis Crick Institute). Research funding also included £39.3m for fellowships, £19.4m for project grants, £2.4m for clinical studies and £0.9m for translational awards (representing expected payments to the completion of future milestones).

The reported £98.9m investment in research (2024: £116.7m) differs from the total new grants awarded. This is due to allowances for unclaimed grants, applying a discount factor for long-term liabilities, and including BHF staff and support costs.

In addition to our Research investment, charitable expenditure on health activities was £47.2m (2024: £39.5m). This covered a range of activities in support of cardiovascular disease patients, including funding free phone access to specialist cardiac nurses via our heart helpline.

We also continued to invest in the delivery of RevivR, our digital CPR training tool in partnership with Laerdal, and The Circuit, our national defibrillator network which in December 2024 registered its 100,000th defibrillator.

Balance sheet

On 31 March 2025, total cash, deposits and investments for BHF Group were £346.4m, a decrease of £22.3m in the year. This reflected the planned utilisation of our Reserves to expand our research funding capacity, as well as commencing a programme of investment in BHF's technology infrastructure and brand, so as to position the organisation for longer term success.

Our cash and investment portfolios are maintained partly to ensure we can always fulfil our grant obligations, with gross unconditional grant commitments amounting to £420.0m on 31 March 2025 (2024: £409.9m).

Grants awarded represent commitments by BHF to reimburse recipients for expenditure incurred following grant agreements. Our policy is to provide for the total expected commitment when a grant is agreed and communicated. However, a considerable amount of time usually passes between recording a new grant award in our financial statements and its subsequent payment, and the full grant commitment may not always be fully utilised by the recipient. These factors are reflected in the year-end grant liability which stood at £364.1m (2024: £357.1m).

Financial review

At the end of the financial year, BHF Group reported total net assets of £130.2m (2024: £138.3m). Total unrestricted funds in the Group balance sheet showed a surplus of £106.5m (2024: £117.2m). The reduction in net assets primarily reflects the strategic application of our investment reserves as discussed above.

While total Unrestricted Funds remain in a strong position, the trustees are of the view that a deficit on reserves can be maintained in the longer term. This view considers the relatively long-term nature of BHF's grant liabilities, our cash and investment portfolio and the considerable diversity of our fundraising activities, including the strength of legacies, which provide ongoing cash resources to fund research grant liabilities. Of the total research liabilities of £364.1m, £230.1m are due after one year or more and will be funded, in part, by income generated in future years.

Reserves policy

The Board of Trustees considers the key measure of sustainability for BHF to be current and future liquidity cover, rather than the surplus or deficit accounting position. Consequently, trustees have set an appropriate reserves policy, which is reviewed annually relating to liquidity, based on the relationship between readily realisable assets and the cash required to settle grant liabilities and sustain BHF's operations for an anticipated period. Trustees have decided that, after an allowance for future income expectations (including an assessment of the potential loss from an extended interruption to retail trade), BHF should at all times maintain cash and readily realisable assets at least sufficient to fund between 12 and 24 months of forecast cash outflow to settle grant awards, plus 12 months of non-retail operating costs (excluding direct costs of income generation). In the event of BHF facing difficult financial circumstances, these liquid reserves would allow us to both meet our responsibilities to grant holders and to continue operations during a period of managed adjustment to these new circumstances.

Based on the current grants position, this policy requires us to hold at least £142m to £176m in liquid and readily realisable assets. With total cash, deposits and investments of £346.4m on 31 March 2025, we have the benefit of substantial headroom above the base reserves requirement. As part of our strategic planning process, the trustees will continue to consider how this headroom can best be applied over the medium term to accelerate our charitable mission. While this will mostly focus on opportunities to expand our research funding capacity, trustees have approved a programme of investment in our technology infrastructure and brand to support the resilience and future growth of the organisation. Such application of reserves is expected to be achieved through net cash outflows, the quantum of which is in part represented by the short-dated bond portfolio (£145.7m on 31 March 2025), which is structured to match the forecast net cash requirements of BHF over the medium term.

Investment policy and performance

Our investments are governed by investment and treasury

Financial review

policies that are reviewed by the trustees on an annual basis. The policies are designed to balance the objective of maximising investment returns with the consideration of risk, liquidity, and environmental, social, and governance (ESG) issues, as further outlined below. We require all investment managers to demonstrate effective systems of control, including annual compliance with the requirements of the ICAEW Audit and Assurance framework (or equivalent) on internal controls.

BHF held total cash, deposits and investments of £346.4m on 31 March 2025, a decrease of £22.3m from 2024. We have three portfolios: an equity growth portfolio, a short-dated corporate bond portfolio and a cash portfolio. The investment objective of the equity growth portfolio, which was valued at £105.4m on 31 March 2025 (2024: £154.7m), is to provide real growth over a five to ten year horizon. Overall, the growth portfolio generated a total return, net of fees, for the year ended 31 March 2025 of 5.2%, against a benchmark of 4.6%.

The short-dated corporate bond portfolio is managed by Royal London Asset Management Limited (RLAM), with £145.7m held on 31 March 2025 (2024: £116.0m). The portfolio is constructed such that the coupon and maturity payments generated broadly match BHF's forecast net cash requirements over the medium term. The increase in the year reflects the transfer of a net £29.7m from the growth portfolio, ensuring the portfolio is sufficient to match BHF's cash needs over the maturity profile of the portfolio, which runs to 31 March 2032. The short-dated corporate bond portfolio generated a total return, net of fees, for the year ended 31 March 2025 of 4.3% (2024: 5.3%). In total, both portfolios included £2.4m of cash held for investment purposes on 31 March 2025 (2024: £3.1m).

To balance short-term cash requirements and investment risks, we maintain a cash portfolio, worth £67.8m on 31 March 2025 (2024: £76.5m). The portfolio is predominantly held in RLAM's Short Term Money Market and Short-Term Fixed Income funds and is comprised of readily realisable investments which are reported within the total cash at bank and in hand on the balance sheet of £95.3m (2024: £98.0m).

Reserves and grant commitments

	2025 £m	2024 £m
Equity growth portfolio (including cash held for investment purposes)	105.4	154.7
Short-dated corporate bond portfolio	145.7	116.0
Cash at bank and in hand	95.3	98.0
Total cash and investments	**346.4**	**368.7**
Grants: year-end liability	364.1	357.1
Unrestricted funds	106.5	117.2
Total funds	**130.2**	**138.3**

Financial review

The investment objective of the cash portfolio is to provide a low volatility and highly liquid balance to the equity growth portfolio, with the return benchmarked against the relevant SONIA (Sterling Overnight Index Average) rate. The RLAM cash portfolio generated a total return for the year ended 31 March 2025 of 5.1% (2024: 5.3%), against the benchmark return of 5.1% (2024: 5.2%). The total return on investments for the year (including net investment income) was a net gain of £19.3m (2024: £39.7m).

Responsible investment policy

BHF is committed to investing its funds in a responsible manner, having regard to best practice in Environmental, Social and Governance (ESG) issues and ensuring the investment portfolio is managed in accordance with our own charitable mission and values. Our investment policy includes a tobacco exclusion clause, as the sale of tobacco products is fundamentally at odds with our mission. The tobacco exclusion is applied by not investing in companies that derive more than 5% of turnover from the manufacture of tobacco or tobacco related products. We also use segregated mandates to avoid direct exposure and only invest in pooled funds if this exclusion can be applied. We will continue to review whether further amendments to the policy may be required for matters we consider represent a direct conflict with our mission.

In line with our ESG roadmap, BHF is committed to supporting the transition to a net-zero greenhouse gas emissions economy by 2045 across our portfolio. This involves measuring and reporting the portfolio's carbon footprint annually, collaborating with investment managers to set and monitor interim emissions reduction targets, and incorporating the net-zero goal into investment decision-making processes. Additionally, managers are selected based on their ability to integrate ESG issues, encouraging robust stewardship, and monitoring systemic risks like climate change and governance failures.

Investment managers are expected to foster positive practices within invested companies, promoting sustainability, sound business ethics, and exemplary employment practices. Both of BHF's investment managers are signatories to the Principles for Responsible Investment (PRI), fully integrate ESG criteria and engagement into their investment processes and produce regular ESG reports.

Pensions

BHF UK Retirement Plan, a defined contribution scheme, is available for employees to join at any time. Contributions made to the Plan during the financial year totalled £6.4m (2024: £5.7m). In addition, the Charity retains a funding obligation to BHF UK defined benefit pension scheme ('the Scheme'), which was closed to new entrants from 30 June 2001 and to future accrual from 31 May 2016.

Financial review

The Scheme remains subject to a formal triennial funding valuation, completed most recently on 1 July 2023. This showed a funding deficit of £1.5m, with the next valuation to be undertaken on 1 July 2026. In accordance with the agreed Schedule of Contributions, a £2.0m special contribution was made during the year. Since the year-end, BHF and the pension trustees have progressed an insurance transaction which ultimately targets a full buy-out of the Scheme.

In connection with the purchase of a bulk annuity contract to fully secure the scheme members' benefits, a further contribution of £0.2m was made on 9 July 2025. Save for the settlement of Scheme expenses, no further BHF funding contribution is anticipated to be required. In addition to the formal triennial funding valuation, an actuary carries out a separate annual valuation of the Scheme in accordance with 'FRS 102: Employee Benefits', in which different funding assumptions are applied. For 31 March 2025, this showed a surplus of £4.2m (2024: £2.1m). This surplus is not recognised as an asset, on the basis that future economic benefits are not deemed available to BHF in the form of a reduction in future contributions or a cash refund. This is further explained in note 16 to the financial statements.

Charitable activity in Scotland

BHF has charity shops in Scotland and receives income from other fundraising activities undertaken in Scotland. During the year, 35 research grants totalling £10.6m were awarded to the Universities of Edinburgh, Aberdeen, Glasgow, Glasgow Caledonian, Dundee, Heriot Watt, Napier, St Andrews, Stirling and Strathclyde.

Activity in the Isle of Man

BHF is registered as a charity in the Isle of Man and has a fundraising group there. During 2024-25, fundraising continued with the support of the community, and £1,000 was raised (2023-24: £5,000).

Trading subsidiaries

BHF has two wholly owned trading subsidiary undertakings: British Heart Foundation Ventures Limited and BHF Shops Limited. The profit distributed to the Charity in the year from the subsidiaries was £17.8m. Profits of trading subsidiaries are detailed in note 15 to the accounts.

Going concern

The trustees have reviewed BHF's financial position and forecasts, and after considering investment reserves, cash levels, financial controls and risk management systems, believe that BHF is well-positioned to manage operational and financial risks effectively. The trustees reasonably expect that the Charity and the Group have sufficient resources to continue operating for at least 12 months from the approval of the financial statements. Therefore, the trustees support the use of the going concern basis in accounting when preparing the annual accounts.

Financial review

Streamlined energy and carbon reporting

BHF recognises the threats posed by climate change, pollution and resource depletion. Our Sustainability Programme is the framework we use to shape our medium-term approach and monitor and improve our performance, with progress on key initiatives reported on pages 58 to 59.

In line with the Streamlined Energy and Carbon Reporting legislation, BHF is required to report its energy consumption and greenhouse gas emissions arising in the UK. All scope 1 and 2 sources of energy and emissions have been disclosed as well as mandatory scope 3 sources of energy and emissions. In addition, scope 3 includes well-to-tank emissions and distribution losses.

Methodology used

BHF utilises the Greenhouse Gas Protocol (GHG protocol) for the collection, analysis, and reporting of carbon emissions. This is in accordance with UK government reporting guidelines.

GHG Protocol is an international partnership of the World Business Council for Sustainable Development (WBCSD) and World Resources Institute (WRI).

All measured emissions from activities which the organisation has financial control over are included. All conversion factors and fuel properties used in this disclosure have been taken from the 2024 "UK Government Greenhouse Gas Conversion Factors for Company Reporting" published by the Department for Energy Security and Net Zero (DESNZ) and the Department for Environment, Food and Rural Affairs (DEFRA). All greenhouse gas emissions have been expressed in terms of their carbon dioxide equivalence.

We purchase 97% of our electricity through renewable contracts for sites we own resulting in low market-based emissions. In comparison with our previous financial period, our overall energy consumption has increased by 1% or 286 MWh, our total greenhouse gas emissions have increased by 4% or 155 tCO2e, and our overall intensity ratio has risen by 1%.

The government conversion factor for diesel vans has increased by 8% compared to last year, contributing to the rise in reported greenhouse gas emissions from fuel. Additionally, higher mileage from our van fleet has been observed, which aligns with the expansion of our Home stores that rely more on van distribution. Improved data recording has enabled us to adjust 2024's vehicle fuel usage for a more precise comparison.

Financial review

Source of Energy and Emissions	Energy Consumption (MWh)[1]		GHG Emissions (tCO2e)[2]	
	2025	2024	**2025**	2024
Combustion of Natural Gas	3,871	3,815	708	698
Combustion of Fuel in Company Vehicles[3]	6,929	6,285	1,758	1,594
Combustion of Gas Oil	11	11	3	3
FGAS/Refrigerant refills	–	–	34	3
Scope 1 Total	**10,811**	**10,111**	**2,503**	**2,298**
Generation of Purchased Electricity	16,763	17,087		
*Of which from Electric Vehicles	138	103		
Renewable Electricity Percentage			97%	95%
Location-based Emissions			3,471	3,538
Market-based Emissions			119	171
Scope 2 Total	**16,763**	**17,087**	**119**	**171**
Combustion of Fuel in Staff-owned Vehicles	888	978	213	236
Electricity Transmission and Distribution Losses	–	–	307	306
Well-to-tank Emissions of Primary Fuels	–	–	704	679
Scope 3 Total	**888**	**978**	**1,224**	**1,221**
Grand Total	**28,462**	**28,176**	**3,846**	**3,691**
Intensity per £m Turnover	–	–	9.38	9.25

Notes

1. Megawatt hour
2. Tonnes of carbon dioxide equivalent
3. 2024 figures restated based on updated van mileage calculations

Risk management and internal control

Internal control

The Board of Trustees are responsible for ensuring that there are effective risk management and internal control systems in place to manage the strategic and operational risks facing BHF.

Processes in place regarding risk management and internal controls include the following:

- A Risk Management Framework which meets the Charity Commission's requirements and follows good practice from the Institute of Risk Management. The framework allows BHF to identify, measure and mitigate risk.
- An Internal Audit function supported by BHF's internal audit partner Crowe UK, which delivers a risk-based audit programme approved by our Audit and Risk Committee. The Audit and Risk Committee reviews internal audit follow up by BHF management, as well as more detailed reports from senior management on key areas of risk.
- An Enterprise Portfolio Management Office to support operational effectiveness and prioritisation of resources across BHF.
- Scrutiny of programmes and projects by the Executive Group and monitored through an Operations Board to ensure they are effectively planned and implemented.
- An Information Security Programme and team who monitor external cyber security threats, develop counter measures, and increase internal awareness of threats, in accordance with external benchmarking standards.

Risk management

BHF's risk management process is supported by a comprehensive Risk Management Framework, which outlines the procedures for identifying and managing risks across all activities to meet our strategic objectives. An overarching BHF Corporate Risk Register (CRR) monitors the management of strategic, operational, financial and compliance risks to the organisation. Each corporate risk is owned by a member of the Executive Group, while each directorate is responsible for managing local risk through individual Directorate Risk Registers. Emerging risks are proactively monitored and reviewed through the Incident Response Group which meets monthly, or as required to identify and discuss risks and to assess the potential impact on our strategic objectives and day to day delivery activities. Horizon scanning exercises are performed in collaboration with risk owners and subject matter experts, to incorporate strategic risk management into operational processes.

Risk management and internal control

Assurance mapping is used to visually represent how risks are controlled and monitored, ensuring alignment with BHF's strategic priorities. This process helps identify gaps and overlaps in assurance activities across the organisation, providing a clearer understanding of risk management effectiveness.

BHF continues to develop a Risk Appetite position which aligns with our strategy. This framework ensures that decision-making processes consider the level of risk BHF is prepared to accept to create a world where everyone has a healthier heart for longer. We report on corporate risks outside our agreed appetite to the Audit and Risk Committee and Executive Group.

Developing our understanding of Risk Appetite helps ensure we maximise our objectives while maintaining a considered approach to identified risks.

Risk governance

The trustees review the CRR annually, with quarterly monitoring and approval by the Audit and Risk Committee and Executive Group. In March 2025, the trustees completed their annual review, considering:

- The high and significant risks to which BHF is exposed.
- The potential impact and probability associated with each risk.
- Existing internal controls.
- Mitigating actions to reduce each risk to a level and a timeframe that the Board considers to be acceptable.

The CRR and management responses are detailed in the Principle risks and uncertainties section.

Principal risks and uncertainties

Risk	Management
Income and charity expenditure – macro economic factors significantly reduce income or increase costs, impacting on our ability to deliver our charitable mission	• BHF has seen net positive performance results from key income sources, with particular focus on fundraising, including legacies. • Retail trading faced a difficult year consistent with the broader retail sector. We continue to prioritise mitigating strategies to adapt to evolving consumer behaviour and cost inflation. • BHF remains committed to investing in technology, utilising innovations to enhance performance and foster growth. **Increasing income and reducing expenditure** • Continued development of online platforms to support both our fundraising and retail activities, with a focus on operational efficiency and driving data driven decision making. • Scoping a long-term review of our technical infrastructure to drive internal and external efficiencies. **Monitoring, review and management of the financial position** • Regular monitoring and reforecasting of financial performance with a focus on the liquidity of our investment reserves to ensure research commitments can be settled on a timely basis. • The preparation of long-term financial forecasts aligned to BHF's strategy to 2030 that target a diversification of income streams and incorporate an ongoing consideration of market and consumer trends. **Ensuring we get most value out of the spend we have already committed to as well as ensuring new research awards are the most impactful** • Evaluating and monitoring impact to ensure an evidence-based approach to our position and investment. • Continued focus on sustainable long-term growth of the UK cardiovascular research ecosystem and identification of new strategic opportunities through stakeholder dialogue. • Advocating for the Government to safeguard research in the UK by adopting the Life Sciences – Charity Partnership Fund.

Principal risks and uncertainties

Risk	Management
Cyber threats and security maturity – a breach of BHF's IT infrastructure or services results in loss of data or denial of service	BHF retains a specialist Information Security team to work alongside the Technology function, delivering a comprehensive information security programme which ensures cyber security threats and risks are identified, reviewed and counter measures prioritised. Key risk mitigations include: • The development of an Information Security Strategy, aligning with our Technology roadmap, to reduce the likelihood of cyber security attacks; including an external NIST assessment of our cyber posture and ongoing review of the security obligations included in third-party contracts. • A programme of mandatory training and supporting communications to ensure all our colleagues and volunteers maintain a high level of security awareness. • Delivery of effective data classification, AI integration, data loss protection and asset management processes. • A robust technical environment, including firewalls, proxy and anti-virus protection, vulnerability monitoring, penetration testing, installation restrictions, patch management and end of life monitoring. • Utilisation of third party specialists to support cyber risk assessments and incident response capabilities.

Principal risks and uncertainties

Risk	Management
Adverse events – incidents that damage reputation and/or negatively impact operations (including serious fraud, supply chain disruption, major health and safety incidents, safeguarding and internal process failures)	• Proactive detection, monitoring, reporting and whistleblowing arrangements to enable investigation of potential adverse events and incidents. • Proactive and reactive media management in place, including ongoing digital and traditional media monitoring. • Dedicated specialist resource is applied in key areas such as health and safety, risk and assurance, procurement, safeguarding and legal that support organisation-wide events and operations. • Monitoring of key suppliers, including financial and due diligence checks. • Programme of health and safety improvement training across our workforce to strengthen our safety management systems and manage compliance and awareness of hazard risks. • Continuing programme to drive IT improvements and strengthening of infrastructure and cyber security to protect BHF assets. • Continuing programme of review and testing of incident and crisis management framework, business continuity and disaster recovery plans through cross organisational tabletop exercises. • Risk based Business Impact Assessments and responsive business continuity plans for core business functions across BHF. • Cross organisation Incident Response Group to monitor and respond to external themes and emerging risks.

Principal risks and uncertainties

Risk	Management
Regulatory environment – changes in government policy, regulatory requirements and/or Charity Sector guidance negatively impact on BHF's strategy and activities	• BHF risk management, legal and fundraising compliance teams monitor public policy and the regulatory environment to ensure potential risks can be proactively managed. • Active programmes of advocacy, influencing and senior level engagement to ensure our views are shared. This includes working to ensure cardiovascular diseases are appropriately prioritised in healthcare systems that are already struggling to meet demand. • Senior BHF and partner representation at key events and forums to help shape the research agenda.
BHF strategy – strategic objectives and activities are not properly or sufficiently focused in order for the charity to deliver its mission	• BHF's strategy sets out how we aim to play a leading role in achieving significant improvements in cardiovascular health. • Our strategic review outlines the key milestones in the medium term for the successful delivery of the strategy, which are monitored and reviewed by the Board of Trustees. • The development of operational priority plans is guided by the Enterprise Portfolio Management Office and ratified by the Operations Board to ensure effective monitoring of workforce efficiencies. • Scrutiny and approval of research funding applications by committees of internationally-recognised expert independent reviewers.

Principal risks and uncertainties

Risk	Management
Investments – BHF is exposed to financial risk and market movements through its cash and investment portfolios, and via the assets and liabilities of a defined benefit pension scheme	• Expert financial advice informs investment and treasury policies that ensure our portfolio is adequately diversified and managed. This includes having regard for best practice in Environmental, Social and Governance (ESG) issues, as further discussed below. • Oversight of investment performance by our Investment Committee, who monitor compliance with, and the effectiveness of, our investment and treasury policies. • The trustees of the defined benefit scheme (closed to new members and future service accrual), in consultation with BHF as sponsoring employer, ensure expert advice informs the Scheme's investment and liability management policies. This includes working towards a full buy-out of the Scheme, in connection with a bulk annuity contract was agreed in July 2025 to secure the scheme members' benefits.

Principal risks and uncertainties

Risk	Management
Our people – attracting and nurturing talent and leadership development and succession planning to retain the right staff in a competitive employment market	• An active communication programme to ensure staff and volunteers are always informed on BHF's strategy and the progress being achieved. • Monitoring of trends in an increasingly competitive and dynamic employment market with regular external benchmarking of compensation and benefits. • Monitoring and responding to insight from organisational engagement surveys. • Continuing the #flexiblyconnected programme to enable staff to have more flexibility in their work patterns and help maintain a healthy work-life balance. • Ethnicity and Gender Pay Gap monitoring and reporting. • Continuing to integrate the Igniting Change (EDI) strategy across our wider strategic objectives. • A network of staff Affinity Groups to share information and support diversity of our people. • Talent management, leadership development and succession planning programmes for key functions. • Ongoing investments in pay and wellbeing benefits to recognise and reward our workforce and drive recruitment and retention. • Commitment to BHF's Volunteer Strategy with a focus on ensuring it is inclusive, easy, and flexible for volunteers to be able to support BHF.

Principal risks and uncertainties

Risk	Management
Normalising change and delivery – delivering effective change management through major process improvement programmes in support of BHF strategy	• Focus on investing in technology and using innovations to accelerate performance and growth. • Enterprise Portfolio Management Office supports operational effectiveness and prioritisation of resources across BHF. • Operations Board and Executive Group review, monitor and support all key change programmes ensuring appropriate governance and resourcing priorities are addressed. • Independent programme assurance of key change programmes. • Utilising expert 3rd party advice and strategic delivery partners, to help determine and deliver BHF's future technology architecture and road-map.
Collaborative research – the impact of Britain's withdrawal from the European Union on the research sector, our ability to attract researchers, or collaborate with European research institutions	• Continue to develop bilateral agreements with European and global institutions. • Engaging with BHF funded researchers to better understand any impact, and therefore the extent to which BHF's funding programmes may require amendment or development. • Engaging with relevant government and umbrella organisations to advocate and influence in the interest of our beneficiaries, including applicable visa arrangements such that the UK remains an attractive location for international researchers to come and work.
Environment and sustainability – failure to progress our sustainability programme could damage our reputation, introduce higher costs and impact our ability to meet our charitable mission	• Implementation of the Environmental, Social and Governance (ESG) strategy to understand and establish longer term environmental targets for BHF, including a commitment to be a net zero organisation by 2045 at the latest. • Commitment to investing BHF's reserves in a responsible manner and for the investment portfolio to be managed in accordance with BHF's own charitable mission and values.

Legal structure and governance

British Heart Foundation is a company limited by guarantee, incorporated in England on 28 July 1961, and registered at Greater London House, 4th Floor, 180 Hampstead Road, London NW1 7AW. Our Articles of Association were last amended on 31 March 2016 and provide for a limitation of member liability to £1. BHF is a registered charity in England and Wales (charity number 225971), in Scotland (charity number SC039426) and on the Isle of Man (charity number 1295).

BHF is the UK's largest independent funder of cardiovascular research in the UK. Our mission is to prevent and defeat cardiovascular diseases by pioneering lifesaving research into the causes, diagnosis, treatment and prevention of cardiovascular disease for the public benefit, and to provide vital support and information for people living with cardiovascular diseases.

The Board of Trustees is responsible for the governance and strategy of BHF. The Board comprises up to 14 trustees, and a mix of medically-qualified and lay members. The trustees have full legal responsibility for the actions of BHF, are appointed for a renewable term of three years and are the directors of the company for the purposes of the Companies Act 2006.

The Board meets on a quarterly basis and delegates day-to-day responsibility for the running of BHF to the Executive Group.

The Board also delegates specific responsibilities and activities to various sub-committees, including the Audit and Risk, Investment, Retail, Nominations and Remuneration and People committees. Our investment in research is overseen by five medical committees with responsibility for specific areas of research including the review of grant applications and other scientific award proposals. An organisation chart listing all our current committees can be found on page 84.

Our board and committee structure

Our committees and groups are arranged into one of three streams – Governance, Operational and Advisory.

Governance stream

The trustees have the ultimate responsibility for running the Charity, their principal duties being to set the strategic direction of the Charity and ensure that the Charity is solvent, properly run and delivers its charitable purposes. To ensure that all decisions are informed and appropriate, and where it is beneficial to BHF, the trustees have delegated certain tasks to directly accountable committees.

There are currently three Governance Committees – Audit and Risk, Nominations and Remuneration and People – each of which are comprised of members with relevant specialist knowledge.

Legal structure and governance

Operational stream

Our operational committees review and make decisions on key operational matters on behalf of the Board of Trustees in the following areas:

i) **grants** – members of our five research funding committees review and assess applications for grants for scientific, medical, clinical studies or translational research work that will assist BHF to carry out its charitable activities. They also review the output and performance of grants throughout the lifetime of those awards.

ii) **investments** – the Investment Committee recommends investment strategies and oversees investment performance in line with BHF's aims, objectives and risk appetite.

Each operational committee operates within clearly defined delegated authority and budgetary limits set by the Board to further the strategic aims of the Charity.

Advisory communities

BHF advisory communities cover specific areas of expertise, each designed to support BHF's strategy to 2030. Working with supporters, specialist advisers, patient representatives and other key stakeholders these groups:

- Provide tailored, expert support and advice to the Board and Executive Group.
- Keep the Board apprised of major issues and concerns.
- Provide a forum for stakeholder involvement and consultation to inform BHF's work.

Our advisory communities currently include as part of the formal board structure, a Retail Committee, plus other specialist advisory groups which meet on a more ad-hoc basis. Each is made up of independent experts who provide advice on our operations and the wider environment.

Legal structure and governance

Board of Trustees

The trustees act as the company directors of BHF, and under charity law they have legal duties and responsibilities as trustees.

We are pleased to welcome two new trustees, Mark Ashton-Rigby and Roisin Donnelly who joined the Board this year. The Board is grateful to all our committee members for their support during the year, but our particular thanks go to Timothy Howe KC and Professor David Lomas who retired from the Board of Trustees this year, each having played a huge role in the direction of BHF during their tenures.

The membership of the Board of Trustees, and their involvement on other Governance Committees is as follows:

Trustees	Year of appointment	Audit and Risk Committee	Nominations Committee	Remuneration and People Committee
Karen Frank (Chair)+	2019		C+	M+
Mark Ashton-Rigby+++	2024	M+++		
David Boynton	2023			
Dr Sarah Clarke (Deputy Chair)	2018		M	M
Roisin Donnelly+++	2024			
Professor Sadaf Farooqi	2022			
Mark FitzPatrick	2020	C		
Timothy Howe KC*	2018	M*		
Dr Annalisa Jenkins	2021			
Professor David Lomas*	2016		M*	
Sharron Pamplin	2023		M	C
Professor Sir Munir Pirmohamed	2020			
Professor Brian Walker	2022		M++	

Changes to the Board of Trustees in this financial year

- Karen Frank became Chair on 11 June 2024
- Timothy Howe KC retired on 22 October 2024
- Professor David Lomas retired on 22 October 2024
- Mark Ashton-Rigby joined on 1 August 2024
- Roisin Donnelly joined on 1 August 2024

Trustee biographies are available at: www.bhf.org.uk/what-we-do/our-people/our-trustees

Key	
C Chair	
M Member	
+ From 11 June 2024	
++ from 27 July 2024	+++ from 1 August 2024
* To 22 October 2024	

Legal structure and governance

Trustee recruitment, induction and training

The Nominations Committee is responsible for recruiting members of the Board and its sub-committees. One of its key aims is to ensure a broad mix of skills, experience, knowledge and diversity including gender and ethnicity. The Nominations Committee meets regularly to review the composition of the Board and its committees, and all new appointments are evaluated against the existing skills, experience, knowledge and backgrounds. Trustee and committee vacancies are advertised as necessary and for recent appointments BHF has extended its search and taken advice from specialist agencies to enhance and broaden the pool of candidates. BHF will also approach individuals thought to have the right skills.

New trustees undertake a comprehensive induction programme and are invited to spend time with individual members of the Executive Group. This is a chance to learn about BHF and identify opportunities to become more involved with our work. Trustees are also invited to attend regular research site visits to learn more about BHF research, and additional training and updates are provided as appropriate.

Section 172 Companies Act 2006 Statement

The trustees, as company directors of BHF, must act in accordance with a set of general duties as detailed in Section 172 of the Companies Act 2006, which includes a duty to promote the success of the company, and in doing so have regard (amongst other matters) to:

- The likely consequences of any decision in the long term.
- The interests of the company's employees.
- The need to foster the company's business relationships with suppliers, customers and others.
- The impact of the company's operations on the community and the environment.
- The desirability of the company maintaining a reputation for high standards of business conduct.

Our governance processes

Throughout this report, we have summarised our governance framework, our values and behaviours, and how we have engaged with stakeholders during the year. The Board has considered the views and needs of key stakeholders in Board discussions and decision making. It also believes that a balance of skills, experience, knowledge and diversity in the broadest sense is vital to providing a variety of different perspectives to its discussions and enhancing the Board's decision-making. The following paragraphs are not intended to be an exhaustive list, but are illustrative of how the trustees have fulfilled these duties during the year.

Legal structure and governance

Charity Governance Code

The Board supports the principles of good governance as set out in the Charity Governance Code and has reviewed and will regularly revisit the Code's key principles to support continuous improvement and ensure the highest standards of governance. As recommended by the Code, every three years the Board commissions an independent review of its performance, and in the intervening years undertakes a self-evaluation process.

In 2024, the Nominations Committee was asked to provide oversight of the implementation of an agreed set of actions arising from the 2023 independent governance review, and to review our governance structures and lines of reporting to ensure alignment with our new strategy. Proposed changes will be implemented in the coming year.

The likely consequences of any decision in the long term

BHF's long term ambition is to see a world where everyone has a healthier heart for longer. Our organisational strategy is a blueprint for achieving these goals and has informed the Board's decisions and likely consequences of these in the long term.

During 2024-25, the Board carried out a detailed review and refresh of BHF's strategy in response to significant changes in our operating environment since publishing our previous strategy six years ago. These range from the unprecedented crisis in heart care following the pandemic to the rapid advance of cutting-edge areas of science.

A significant amount of Board time was dedicated to this review. Our new strategy was shaped and informed by the views of people affected by cardiovascular diseases, senior research and healthcare leaders, and key stakeholders including BHF colleagues, and sets out how we can best deliver our mission in a rapidly changing world.

We continue to operate in an uncertain environment where prompt, informed decision making is essential. The Board's discussions have been informed by detailed reports from the Executive Team and quarterly performance reporting to provide assurance and assist the trustees in their decision making. In addition to this, a detailed Risk Management Framework is used to identify and manage risks in all our activities.

The Board receives monthly operational updates to support business-critical decisions, and as part of their induction, the trustees are briefed on their role and duties, which are fulfilled partly through the governance structure detailed on pages 83 to 85.

For further details on our Risk Management Framework and principal risks and uncertainties please refer to pages 74 to 82.

Legal structure and governance

Our stakeholders

Patients

It is vital that we understand the experiences, needs and priorities of those affected by cardiovascular disease to inform our research strategy, help us identify where policy changes are most needed to improve care and to provide relevant and accessible information.

How we engage with them

- The Board of Trustees continues to recognise the growing backlog of treatment and care for people affected by cardiovascular disease, and is agreed that fighting for better health and care, tackling health inequalities and the provision of information and support for the people who need us are critical priorities.
- We regularly consult and work with patients and the public to work for better health and care. We do this through various patient panels and advisory groups. For example, Heart Voices, our patient and public involvement network plays a crucial role in shaping and influencing BHFs work, ensuring that our research decisions, health information and policies have the biggest impact for those affected by cardiovascular disease.
- Our valued information and support website pages continue to reach a wide audience and our Heart Helpline remains a lifeline for thousands of patients and their families.
- We are using data, insights and feedback to ensure we are effectively supporting the people who need us and continue to expand our offer of alternative formats to make our offer more inclusive and accessible.
- We continue to work towards our goal of saving more lives from out-of-hospital cardiac arrest. This is through working with our partners to create a nation of lifesavers trained in CPR and by making defibrillators available and accessible in the places they're needed most.
- For further details on how we have engaged with patients and those affected by cardiovascular disease, and the impact this is having, please refer to pages 22 to 32.

Legal structure and governance

Our stakeholders

Researchers

As the largest independent funder of cardiovascular research in the UK, supporting a thriving research community and fostering future talent is vital to our mission.

How we engage with them

- This year, we have funded over £108m of new ground-breaking research through 247 new research awards across 47 UK universities and other research institutions.
- We have provided support and training for clinical and non-clinical cardiovascular researchers at all stages of their career. This incorporates a continued focus on equality and diversity, including completing our first comprehensive assessment of the UK cardiovascular research workforce.
- We have continued to focus on our use of partnerships and engagement with other national and international research funders to develop and deliver a strategic research agenda. This included facilitating a new joint funding network for cardiovascular research in Wales, and the launch of the MRC/BHF Centre of Research Excellence in Advanced Cardiac Therapies.
- Our work remains focused on seeing more BHF-funded research discoveries translated into patient and public benefit. This has included the growing potential of Artificial Intelligence to enhance disease diagnosis and prediction.
- For further details on the impact on BHF's research please refer to pages 12 to 20.

Legal structure and governance

Our stakeholders

Our supporters

Building lasting relationships with our supporters is vital to our long-term mission. We need to provide the right opportunities for people to support us and the level of customer service they would expect.

How we engage with them

- The board recognises its responsibility to increase awareness, inspire and build lasting relationships with our supporters, and is committed to ensuring our supporters have an incredible experience while helping to fund our lifesaving research.
- Informed in part by feedback received from stakeholders, we have continued to invest in technology to support our retail business and customer services, and are committed to ensuring our supporters have an outstanding experience across the whole of our customer base.
- Much of our progress is only possible through the integrated work of the many BHF communities and groups. Their insight and commitment remain key to the decisions we make and the success we achieve, as set out in this report.
- Philanthropic donations continue to be essential to realising our ambitions, particularly when enabling us to fund pioneering research that might not otherwise get off the ground. The importance of this contribution has been recognised through the creation of "Pulse", a new collective of BHF's most transformative supporters, including private individuals, corporate partners, charitable trusts and philanthropic foundations.
- We would like to thank all our supporters for their continued support, donations and tireless fundraising this year.
- For further detail on our fundraising activities please refer to pages 34 to 45.

Legal structure and governance

Our stakeholders

Staff and volunteers

As an organisation we know we need to recruit, develop and support the best people to help us achieve our goals. In order to do this we need to understand what support, information and development opportunities our people need from us.

How we engage with them

- We strive to promote a culture whereby everyone at BHF is treated equally, with respect, is safe from abuse or harm and is able to give of their best.
- We undertake regular staff and volunteer engagement surveys to understand how we are doing as an organisation and where we need to improve. The feedback we receive has been instrumental in developing our benefit and support package, including the introduction of 12-weeks' paid time off for all family leave including maternity, paternity, shared parental and adoption leave.
- Our volunteering strategy and MyVolunteer digital platform have been designed to make gifts of time easy, flexible and inclusive. We want all our volunteers to have the best possible experience, including the opportunity for personal development. We are proud that 20% of our retail staff vacancies this year were filled by former volunteers.
- Our EDI strategy, Igniting Change, was developed with input from our volunteers, supporters, funded researchers as well as colleague forums such as Kaleidoscope and our affinity groups which raise awareness, and help improve our understanding of the experiences of different groups at BHF. Outputs from these groups are fed back to the Remuneration and People Committee and have helped inform actions as part of this workstream.
- The Board is assisted in fulfilling its governance duties in relation to staff and volunteers by the Remuneration and People Committee, and part of this Committee's remit is to review regular reports on safeguarding, learning and development, employee and volunteer engagement and initiatives relating to wellbeing and safety, equality, diversity and inclusivity. Any concerns around culture or policy or people or compliance are brought to the attention of the trustees.
- For further details on how we engage with our staff and volunteers please see pages 54 to 55 and 96 to 98.

Legal structure and governance

Our stakeholders

Policy and key opinion leaders

Strong and effective relationships with policy makers and other medical research charities is key to furthering our objectives in support of the prevention, treatment and care of heart patients.

How we engage with them

- Throughout the year, BHF has continued to develop and maintain strong and effective relationships with communities, key opinion leaders, health service leaders and governments in each of the four nations to further our objectives in support of the prevention, treatment and care of heart patients and making sure cardiovascular disease is seen as a top priority in tackling poor health and inequality.
- We have also worked closely with other medical research and health charities, patient organisations and professional bodies, industry partners and think tanks in pursuing shared policy outcomes.
- For further details on how we engage with policy makers, including our Hearts Need More campaign and our work with policy makers across the UK and Northern Ireland, please see pages 24 to 31.

Legal structure and governance

Our stakeholders

Business relationships with suppliers

The delivery of our charitable aims and objectives is dependent on a range of relationships with universities, suppliers and other business partners.

How we engage with them

- We are extremely grateful for the advice and direct financial support received from our business partners and other service providers during the past year. The Board has encouraged management to develop and maintain trusted partnerships with each and expects our partners to be aligned with the values of BHF. We seek always to act with honesty and integrity in all that we do to deliver the best value for money in support of our strategic goals.
- Partner organisations are expected to comply with the requirements of any professional standards, or trade bodies, depending on their activities, and all applicable laws, statutes, regulations and codes of practice relating to anti-bribery and anti-corruption.
- BHF has a zero-tolerance approach to modern slavery anywhere in our own business or in our supply chains, as well as on all aspects of safeguarding. We always strive to act ethically and with integrity in all of our business dealings and relationships.
- Through building trusted partnerships and working with others we believe great progress can be made towards our vision of a world where everyone has a healthier heart for longer. In 2024-25 many of these partnerships have also provided significant financial and practical support through a range of initiatives, highlights including those set out on pages 37 to 39.
- Full details of our policies in relation to our business relationships with companies, suppliers, customers and others, including our supplier Terms and Conditions, statement on Modern Slavery and Feedback and Complaints policy can be found at: www.bhf.org.uk/what-we-do/our-policies.

Legal structure and governance

Our stakeholders

All our stakeholders: Sustainability

The threats posed by climate change, pollution and resource depletion will affect us all, and we recognise the need to address this threat through effective and ethical decision making.

How we engage with them

- Last year, a principal decision of the Board of Trustees was the agreement of an Environmental, Social and Governance (ESG) roadmap, inclusive of a commitment to be a net carbon zero organisation by 2045 at the latest.
- In making this decision, the Board had regard to a range of factors, including the likely implications for our stakeholders, including patients, staff and volunteers; the impact on BHF's operations and the research community we support; and the impact on BHF's reputation for maintaining high standards of ethics and business conduct.
- We continued to make changes to drive us towards these aims and have a programme of activities underway as we work to operate in the most responsible manner, with a series of commitments to ensure that our environmental, social and economic impact is considered. This includes working towards a comprehensive understanding of the environmental impact within our broader supply chain in respect of emissions targets and waste avoidance.
- We have also continued to work with partners to understand the international textile recycling process, enabling us to identify ways in which BHF can mitigate the associated environmental impact of unsellable donated goods.
- We remain committed to ensuring our cash and investment portfolios are managed in a responsible manner and in accordance with our own charitable mission and values, having regard to best practice in ESG issues. This includes the exclusion of investments in companies with strong links to tobacco, with ongoing engagement with our investment managers to ensure our portfolios align with our net zero ambitions and do not directly conflict with our charitable mission.
- Further information on our progress towards our commitments and key areas of focus can be found on pages 58 to 59, and our Streamlined Energy and Carbon Reporting on pages 72 to 73.

Legal structure and governance

Public benefit

In reviewing our aims and objectives, and planning future activities, the trustees have taken into account the Charity Commission's general guidance on public benefit. The trustees always ensure that the activities undertaken are in line with the charitable objectives and aims of BHF.

As highlighted earlier in this report, some of our health promotion, care and communications initiatives are specifically targeted at those population groups most at risk of cardiovascular diseases, due to ethnic, social or economic factors. However, by their very nature, all our charitable activities are undertaken for the benefit of the public.

BHF fundraising

BHF is registered with the Fundraising Regulator and we, along with all fundraising partner organisations, are committed to meeting the standards set out in the Code of Fundraising Practice: https://www.fundraisingregulator.org.uk/code

To ensure compliance, BHF operates a continuous review of the standards set out within the Code included in quarterly reporting to the Audit and Risk Committee. Code requirements also form part of our fundraiser training.

BHF operates a broad fundraising portfolio which includes the use of third-party professional fundraisers, commercial participators and volunteers. The types of fundraising initiatives we engage in include (but are not limited to) in person and online events, community engagement through our groups, branches and volunteers, mass marketing which includes public fundraising, as well as engaging in corporate partnerships and with high net worth individuals.

Our fundraising activity and overall strategy is regularly addressed by the Board of Trustees in exercise of their duties under CC20 Charity Commission guidance. They, together with our Audit and Risk Committee, monitor significant risks and ensure they are being properly addressed.

Fundraising on our behalf

We continue to monitor all public fundraising agencies through our dedicated mystery shopping, training evaluation, doorstep shadowing and telephone call monitoring programme in line with the requirements set out in The Charities (Protection and Social Investment) Act 2016.

BHF currently engage the following professional fundraising organisations – APPCO UK Ltd, BriteVox Limited and Ethi-call Limited. We have written fundraising agreements in place with each partner organisation which include clauses related to our monitoring and assurance activity.

Vulnerable people

BHF recognises its responsibility and is committed to acting appropriately and with compassion when engaging with vulnerable or potentially vulnerable people. Our Vulnerable Supporters Policy applies to all our fundraising activities and ensures that we are protecting the public from undue pressure to donate, as well as identifying people in vulnerable circumstances. We train all door-to-door and private site fundraisers around identifying the signs which may indicate a person is not able to make an informed decision to donate to BHF. Our Supporter Promise provides a further commitment to

Legal structure and governance

conduct our fundraising activity in a manner that is honest and transparent. https://www.bhf.org.uk/what-we-do/our-policies/supporter-promise

Complaints

From the millions of contacts we have with supporters each year, in 2024-25 we received 122 complaints about our fundraising practices (2023-24: 271 complaints). We take all complaints very seriously and respond according to our Complaints Policy. We received no complaint investigations via the Fundraising Regulator in 2024-25.

Our Board of Trustees receives the 'Voice of the Customer Report' which includes results of the latest online surveys in order to understand the views and concerns of our customers and supporters across all our activities.

Grant award policies

We only award scientific research grants after a formal, detailed application process and a comprehensive independent peer review. For in-depth information on research expenditure, the grant award process and application guidelines visit: https://www.bhf.org.uk/for-professionals/information-for-researchers

Executive group

The Executive Group is responsible for the day-to-day running of BHF under authority delegated to it by the Board of Trustees. It proposes to the Board of Trustees where BHF should invest its time, money and expertise, including an annual discussion of strategy supported by financial forecasts. It proposes an annual operating budget to the Board of Trustees for approval and monitors financial performance accordingly. The Executive Group members are detailed below:

Chief Executive
Dr Charmaine Griffiths

Chief Scientific and Medical Officer
Professor Bryan Williams OBE MD FMedSci

Chief Technology Officer
Alex Duncan

Chief Financial Officer
Martin Miles FCA

Chief Marketing and Fundraising Officer
Claire Sadler

Chief People Officer
Kerry Smith

Commercial Director
Mike Taylor

Company secretary

Head of Legal and Governance and Company Secretary
Sam Ryan

Executive Group biographies are available at: https://www.bhf.org.uk/what-we-do/our-people/our-executive-group

Our staff and volunteers

None of our lifesaving work would be possible without the dedication and hard work of our volunteers, supporters and staff.

At 31 March 2025 we had a paid workforce of 4,584, spread right across the UK (3,687 of whom are employed in our retail operation). The full-time equivalent headcount is detailed within note 4 to the accounts on page 124.

Legal structure and governance

To many people across the UK, volunteers are the public face of our charity. We are extremely grateful to our retail and fundraising volunteers for their continued support. We recognise that the world of volunteering has changed significantly over recent years, and our volunteering strategy is to make volunteering for BHF as easy, flexible and inclusive as possible. We want all our volunteers to have an incredible experience and truly feel they are making a difference to BHF.

We've continued to foster a culture that empowers colleagues to Live well and Work well through a range of support, including a comprehensive programme of online webinars, promotion of external sources of support and encouraging social connection. We continued to expand our Mental Health Ambassador network and promote our Employee Assistance Providers accordingly.

BHF is committed to employment policies which follow best practice, based on equal opportunities for all employees, irrespective of gender, ethnicity, religion, sexual orientation, age, employment status, disability or marital status.

BHF gives full and fair consideration to applications for employment from people with disabilities, having regard to their particular aptitudes and abilities.

All reasonable adjustments are made for the continued employment and training, career development and promotion of people with disabilities employed by BHF. We do not condone or tolerate any form of discrimination in our recruitment or employment practices. All employees and applicants are treated on merit, fairly, with respect and dignity, recognised as individuals and valued for the contribution they make, provided fair and equal access to training, development, reward and progression opportunities, and are accountable for the impact of their own behaviour and actions.

During the year, regular communications are provided to our staff and volunteers, including updates on the Charity's progress. In addition, one of our values is to encourage our staff and volunteers to speak out and express their views and opinions. Staff and volunteer forums are used, as well as engagement surveys and regular all-staff updates. Employee suggestion schemes, webchats with directors and senior managers, and informal opportunities to express views as well as our 'concern at work' email for any anonymous reporting, support the priority for open and transparent engagement at all times. All new employees participate in a BHF induction programme supported by our Chief Executive and members of our Executive Group.

Legal structure and governance

Executive pay

We have a detailed Reward Policy, which sets out our guiding principles for reward at BHF. The remuneration for the Executive Group is set, monitored and reviewed by the Remuneration and People Committee, which is chaired by a senior human resources specialist. BHF is committed to a policy of equal pay and aims to ensure that salaries reflect the knowledge, skills, behaviours and capabilities required for satisfactory performance in each role whilst also demonstrating appropriate use of charitable income. Salaries are benchmarked against the voluntary sector and, where appropriate, other relevant job markets.

More information on our executive pay policy can be found on our website at: bhf.org.uk/what-we-do/our-policies/our-statement-on-senior-salaries

An annual pay review was awarded on 1 April 2024. In the financial year 2024-25 our Chief Executive's basic salary was set at £233,251.

Gender and ethnicity pay gap

We're pleased to share that BHF's gender pay gap remains small, although it will naturally reflect year-to-year changes in our team. In 2024 our median gender pay gap slightly increased from 0.7% in favour of men to 1.7% in favour of women.

As part of our ongoing commitment to equality we also choose to share our median ethnicity pay gap, noting that it represents a smaller number of colleagues across our various BHF teams. In 2024 our median ethnicity pay gap remained in favour of ethnic minoritised colleagues and has slightly increased from 7.1% in 2023 to 9.2% in the last year.

Creating a more diverse workforce, including at senior leadership level, remains a priority. Some of the key actions we have implemented include using a gender bias decoder for job advertisements, promoting flexible working, not asking for current salary details, partnering with Rare Recruitment to combat bias at the interview stage, using anonymous CV software, launching an Interview Builder to reduce unconscious bias, and tracking recruitment data to inform future strategies. BHF is also a member of the Tech Talent Charter to promote diversity in technology.

Trustees' indemnity

As permitted by the Articles of Association, each of the trustees has the benefit of an indemnity which is a qualifying third-party indemnity as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force.

The Company also purchased and maintained throughout the financial year Trustees' and Officers' liability insurance in respect of itself and its trustees.

Auditors

BDO LLP have expressed their willingness to continue to act as auditors.

The Trustees' Report, including the Strategic Report, was approved by the Board of Trustees on 29 July 2025.

Statement of Trustees' responsibilities

The trustees (who are also directors of British Heart Foundation for the purposes of company law) are responsible for preparing the Trustees' Report (including the Strategic Report) and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', and applicable law (United Kingdom Generally Accepted Accounting Practice). Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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 Charities Statement of Recommended Practice.
- Make judgments and estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards have been followed, subject to any material departures being disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, and disclose with reasonable accuracy at any time the financial position of the charitable company and the group, and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and the group, 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 charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

So far as each of the trustees is aware, at the time the report is approved:

- There is no relevant audit information of which the charitable company's external auditors are unaware.
- The trustees have taken all appropriate steps to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

29 July 2025

Karen Frank
Chair of the Board of Trustees

Independent auditor's report to the members and Trustees of British Heart Foundation

Opinion on the financial statements In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Charitable Company's affairs as at 31 March 2025 and of the Group's incoming resources and application of resources and the Parent Charitable Company's 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 Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation s 6 and 8 of the Charities Accounts (Scotland) Regulations 2006, as amended.

We have audited the financial statements of British Heart Foundation ("the Parent Charitable Company") and its subsidiaries ("the Group") for the year ended 31 March 2025 which comprise the group statement of financial activities (incorporating a group income and expenditure account), Balance sheets, the group statement of cash flows 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, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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 Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Group and the Parent Charitable Company in accordance with the ethical requirements 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.

Conclusions related 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 Group and the Parent Charitable Company'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.

Independent auditor's report to the members and Trustees of British Heart Foundation

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 auditor's report 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. 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Other Companies Act 2006 reporting

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' Report, which are included in the Trustees' Report, have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Group and the Parent Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatement in the Strategic report or the Trustees' Report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- proper and adequate accounting records have not been kept by the Parent Charitable Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Charitable Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are

Independent auditor's report to the members and Trustees of British Heart Foundation

responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determines 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 Group's and the Parent Charitable Company'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 Group or the Parent Charitable Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts 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 an auditor's report 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.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Non-compliance with laws and regulations

Based on:

- our understanding of the Group and the sector in which it operates;
- discussion with management and those charged with governance; and
- obtaining and understanding of the Group's policies and procedures regarding compliance with laws and regulations.

We considered the significant laws and regulations to be FRS 102 and the Charities SORP 2019, UK tax legislation, Fundraising Regulations, Charities Act 2011, the Office of the Scottish Charity Regulator and the Companies Act 2006.

Independent auditor's report to the members and Trustees of British Heart Foundation

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be the health and safety legislation.

Our procedures in respect of the above included:

- review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- review of financial statement disclosures and agreeing to supporting documentation;
- review of legal expenditure accounts to understand the nature of expenditure incurred;
- review of terms and conditions of significant contracts; and
- enquire with management, trustees and inhouse legal counsel to identify material claims or litigation.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- obtaining an understanding of the Group's policies and procedures relating to:
  - Detecting and responding to the risks of fraud; and
  - Internal controls established to mitigate risks related to fraud.
- review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and
- assessing the design of controls and procedures relevant to the preparation of the financial statements and the detection and prevention of irregularities and fraud.

Based on our risk assessment, we considered the areas most susceptible to fraud to be management override of journals and controls, revenue recognition, valuation of the legacy income accrual and valuation of the grant liability.

Our procedures in respect of the above included:

- testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- involvement of forensic specialists in the audit to review instances of fraud and potential higher risk areas of fraud;

Independent auditor's report to the members and Trustees of British Heart Foundation

- obtaining independent confirmations of cash and investment balances at the year-end and testing management's year-end bank reconciliations;
- assessing significant estimates made by management for bias, including valuation of the legacy accrual and valuation of the grant liability; and
- incorporating unpredictability into our testing approach through amending the nature and extent of audit procedures.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising 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 by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the Charitable Company's trustees, as a body, in accordance with the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the Charitable Company's members and trustees those matters we are required to state to them in an auditor's 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 Charitable Company, the Charitable Company's members as a body and the Charitable Company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:
Jill Halford
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Jill Halford
(Senior Statutory Auditor)

For and on behalf of BDO LLP, statutory auditor. London, UK

30 July 2025

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Group statement of financial activities for the year ended 31 March 2025

(incorporating a group income and expenditure account)

	Note	2025 Unrestricted funds £m	2025 Restricted and endowment funds £m	2025 Total funds £m	2024 Unrestricted funds £m	2024 Restricted and endowment funds £m	2024 Total funds £m
Income from:							
Donations and legacies	2	148.4	13.9	**162.3**	136.7	9.1	145.8
Charitable activities		0.3	–	**0.3**	2.1	–	2.1
Investments		10.0	–	**10.0**	10.3	–	10.3
Other income		0.5	–	**0.5**	0.1	–	0.1
Total fundraising income		159.2	13.9	**173.1**	149.2	9.1	158.3
Expenditure on:							
Raising funds: donations and legacies	4	(46.0)	–	**(46.0)**	(36.8)	–	(36.8)
Investment management fees	4	(1.2)	–	**(1.2)**	(1.1)	–	(1.1)
Total fundraising costs		(47.2)	–	**(47.2)**	(37.9)	–	(37.9)
Fundraising contribution		112.0	13.9	**125.9**	111.3	9.1	120.4
Trading income	3	237.5	–	**237.5**	240.6	–	240.6
Trading costs	3/4	(233.8)	–	**(233.8)**	(222.6)	–	(222.6)
Contribution from trading activities		3.7	–	**3.7**	18.0	–	18.0
Net income available for charitable purposes		115.7	13.9	**129.6**	129.3	9.1	138.4
Charitable expenditure							
Research	4	(89.1)	(9.8)	**(98.9)**	(106.5)	(10.2)	(116.7)
Health	4	(45.8)	(1.4)	**(47.2)**	(38.5)	(1.0)	(39.5)
Total charitable expenditure		(135.0)	(11.2)	**(146.2)**	(145.0)	(11.2)	(156.2)
Net (expenditure)/income before gain on investments		(19.2)	2.7	**(16.5)**	(15.7)	(2.1)	(17.8)

Group statement of financial activities for the year ended 31 March 2025

(incorporating a group income and expenditure account)

	Note	2025 Unrestricted funds £m	2025 Restricted and endowment funds £m	2025 Total funds £m	2024 Unrestricted funds £m	2024 Restricted and endowment funds £m	2024 Total funds £m
Represented by:							
Total income		396.7	13.9	**410.6**	389.8	9.1	398.9
Total expenditure		(415.9)	(11.2)	**(427.1)**	(405.5)	(11.2)	(416.7)
Net (expenditure)/income before gain on investments		(19.2)	2.7	**(16.5)**	(15.7)	(2.1)	(17.8)
Net gain on investments	8	10.5	–	**10.5**	30.5	–	30.5
Net (expenditure)/income		(8.7)	2.7	**(6.0)**	14.8	(2.1)	12.7
Other recognised (losses)							
Actuarial losses on pension scheme	16	(2.0)	–	**(2.0)**	–	–	–
Net movement in funds		(10.7)	2.7	**(8.0)**	14.8	(2.1)	12.7
Reconciliation of funds							
Funds balances brought forward at 1 April	5	117.2	21.1	**138.3**	102.4	23.2	125.6
Total funds carried forward	5	106.5	23.7	**130.2**	117.2	21.1	138.3

There are no recognised gains or losses other than those disclosed above. All results derive from continuing operations. Gross income for the year for the parent charity is £386.1m (2024: £374.6m) and gross expenditure is £402.9m (2024: £392.9m). The notes on pages 111 to 142 form an integral part of these financial statements.

Balance sheets as at 31 March 2025

Company registration number: 00699547

		Group		Charity	
Fixed assets	Note	**2025 £m**	2024 £m	**2025 £m**	2024 £m
Intangible assets	6	**4.7**	–	**4.7**	–
Tangible assets	7	**32.2**	32.3	**32.2**	32.3
Investments	8	**251.1**	270.7	**251.1**	270.7
Total fixed assets		**288.0**	303.0	**288.0**	303.0
Current assets					
Inventories	9	**8.8**	7.6	**–**	–
Debtors	10	**144.6**	133.1	**147.5**	131.9
Cash at bank and in hand		**95.3**	98.0	**81.6**	89.0
Total current assets		**248.7**	238.7	**229.1**	220.9
Creditors: amounts falling due within one year					
Research and other grant awards	11	**(134.0)**	(119.3)	**(134.0)**	(119.3)
Other creditors	12	**(37.5)**	(41.3)	**(36.0)**	(41.3)
Total current liabilities		**(171.5)**	(160.6)	**(170.0)**	(160.6)
Net current assets		**77.2**	78.1	**59.1**	60.3
Total assets less current liabilities		**365.2**	381.1	**347.1**	363.3
Creditors: amounts falling due after more than one year					
Finance lease creditor		**(0.9)**	(1.3)	**(0.9)**	(1.3)
Research and other grant awards	11	**(230.1)**	(237.8)	**(230.1)**	(237.8)
Total Creditors: amounts falling due after more than one year		**(231.0)**	(239.1)	**(231.0)**	(239.1)

Balance sheets as at 31 March 2025

Company registration number: 00699547

	Note	Group 2025 £m	Group 2024 £m	Charity 2025 £m	Charity 2024 £m
Provision for liabilities and charges	13	**(4.0)**	(3.7)	**(4.0)**	(3.7)
Net assets excluding pension liability		**130.2**	138.3	**112.1**	120.5
Defined benefit pension liability	16	–	–	–	–
Net assets including pension liability		**130.2**	138.3	**112.1**	120.5
Represented by:					
Endowment funds	5	**7.5**	7.5	**7.5**	7.5
Restricted income funds	5	**16.2**	13.6	**16.2**	13.6
Unrestricted funds					
General funds	5	**106.5**	117.2	**88.4**	99.4
Pension reserve	16	–	–	–	–
Total unrestricted funds		**106.5**	117.2	**88.4**	99.4
Total funds		**130.2**	138.3	**112.1**	120.5

The Charity's net movement in funds for the year was a decrease of £8.4m (2024: increase of £12.3m)
The financial statements on pages 105 to 142 were approved by the Board of Trustees on 29 July 2025, and signed on its behalf by:

Karen Frank
Chair

Mark FitzPatrick
Chair of the Audit and Risk Committee

Members of the Board of Trustees

The notes on pages 111 to 142 form an integral part of these financial statements.

Group statement of cash flows for the year ended 31 March 2025

	2025 £m	2024 £m
Cash flows from operating activities:		
Net cash (outflow) / inflow from operating activities	**(26.2)**	24.8
Cash flows from investing activities:		
Investment income	**3.8**	5.2
Purchase of investments	**(40.0)**	(75.0)
Proceeds from sale of investments	**75.6**	24.6
Purchase of tangible and intangible fixed assets	**(18.0)**	(10.9)
Proceeds from sale of tangible fixed assets	**2.9**	0.6
Net cash inflow / (outflow) from investing activities	**24.3**	(55.5)
Cashflow from financing activities		
Repayment of obligation under finance leases	**(0.8)**	(0.7)
Net (decrease) in cash and cash equivalents	**(2.7)**	(31.4)
Cash and cash equivalents at 1 April	**98.0**	129.4
Cash and cash equivalents at 31 March	**95.3**	98.0

Group statement of cash flows for the year ended 31 March 2025

	2025 £m	2024 £m
Reconciliation of net cash flows from operating activities		
Net (expenditure) / income	**(6.0)**	12.7
Adjustments for:		
Depreciation	**11.8**	9.6
Increase in provision for impairment of fixed assets	**0.1**	0.1
(Gain) on disposal of fixed assets	**(1.0)**	(0.3)
Investment income	**(10.0)**	(10.3)
Net (gain) on investments	**(10.5)**	(30.5)
Defined benefit pension scheme payments	**(2.0)**	–
(Increase) / decrease in inventories	**(1.1)**	1.2
(Increase) in debtors	**(10.8)**	(10.1)
(Decrease) / increase in creditors	**(4.0)**	2.8
Increase / (decrease) in provisions for liabilities and charges	**0.3**	(0.4)
Increase in grant liability	**7.0**	50.0
Net cash from operating activities	**(26.2)**	24.8

Analysis of changes in net debt	At 1 April 2024	Cash flows	New finance leases	**At 31 March 2025**
Cash and cash equivalents				
Cash at bank and in hand: cash and on demand accounts	21.5	5.9	–	27.4
Cash at bank and in hand: short term deposits	76.5	(8.7)	–	67.8
Cash and cash equivalents	98.0	(2.8)	–	95.3
Borrowings				
Finance leases	(2.1)	1.0	(0.5)	(1.7)
Total	**95.9**	**(1.8)**	**(0.5)**	**93.6**

The notes on pages 111 to 142 form an integral part of these financial statements.

Notes to the accounts

1. Accounting policies

Statement of compliance

The Group and Charity financial statements have been prepared in accordance with the Statement of Recommended Practice: 'Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)' (SORP) and the 'Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' (FRS 102). They also comply with the reporting requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and the Charities Act 2011. BHF constitutes a public benefit entity as defined by FRS 102.

Basis of preparation

The Group and Charity financial statements have been prepared on a going concern basis (see below), under the historical cost convention, as modified by the revaluation of listed investments. The principal accounting policies applied in the preparation of the Group and Charity financial statements are set out below. These policies have been consistently applied to all the years presented.

Going concern

In determining the appropriate basis of preparation of the financial statements for the year ended 31 March 2025, the trustees are required to consider whether BHF can continue in operational existence for the foreseeable future. The trustees have reviewed our financial position and financial forecasts, taking into account the levels of investment reserves and cash, and the systems of financial control and risk management. As a result of this review, the trustees believe that there are no material uncertainties that could cast significant doubt over BHF's ability to continue as a going concern and that we are well placed to manage operational and financial risks successfully. Accordingly, the trustees have a reasonable expectation that the Charity and the Group have adequate resources to continue in operational existence for the foreseeable future, being a period of at least 12 months from the approval of the financial statements. As a consequence, they continue to support the going concern basis in accounting in preparing the annual accounts.

Reporting period

The financial statements for the year ended 31 March 2025 incorporate the trading results of our Retail operations for the 52 week period ended 29 March 2025 (2024: 53 week period ended 30 March 2024).

Basis of consolidation

The financial statements of BHF and its subsidiary companies are consolidated, on a line-by-line basis, to produce the Group financial statements. The consolidated entity is referred to as 'the Group'. The Charity has taken advantage of the exemption in section 408 of the Companies Act from disclosing its individual statement of financial activities.

Notes to the accounts

Statement of cash flows

The Charity has taken advantage of the exemption in FRS 102 from preparing a statement of cash flows, on the basis that it is a qualifying entity and the Group statement of cash flows included in these financial statements includes the cash flows of the Charity.

Income

Income is recognised and included in the statement of financial activities when the Group has entitlement to the income, it is probable that the income will be received and the amount can be measured reliably. Income received relating to future accounting periods is deferred and recognised as a creditor within the balance sheet.

- Donations are recognised when income has been received. Gift Aid income on donations is accrued when there is a valid declaration from the donor.
- Retail income is recognised at point of sale. Goods donated for sale are included as income at the point of sale. Gift Aid income claimed under the Retail Gift Aid scheme is estimated and accrued at the point of sale.
- Legacy income is recognised in the statement of financial activities when BHF has entitlement to the income, receipt is probable and the income can be reliably measured. For the majority of legacies, entitlement is determined when probate has been granted. Where BHF has been notified of a legacy but probate information is not available or probate is not required to execute an estate, our entitlement is estimated with consideration to the date we are notified of the legacy, our history of similar legacies and any other information available for a specific estate. Revisionary interests involving a life tenant are not recognised unless the life tenant has passed away. Income is estimated based on the best available information at the time. Where estate accounts or notification of expected income have not been received for an estate, income is estimated using a portfolio approach based on historical experience of income from similar legacies.
- For events income, entitlement is counted at the date of the event. Where income is received in advance, recognition is deferred and included in creditors and where entitlement arises before income is received, the income is accrued.
- Income from government grants, is recognised when the Charity has entitlement to the funds and any performance conditions attached to the grants have been met.
- Investment income: interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity. Dividends are recognised once the dividend has been declared and the right to receive payment has been established.

Notes to the accounts

- Gifts in kind and donated services are included in income and expenditure, if a value can be reliably measured, at the estimated value to the Charity. In accordance with the Charities SORP (FRS 102), no amounts are included in the financial statements for services donated by volunteers, including professional services provided directly by volunteers.

Expenditure

Expenditure is recognised when there is a legal or constructive obligation committing the Group to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds (donations and legacies) comprise costs incurred in generating donation and legacy income, including fundraising staff costs and fundraising marketing costs.

- Trading costs comprise costs associated with operating our Retail operations together with costs of running trading activities conducted to generate fundraising income, such as events and lottery costs.

- Charitable expenditure includes costs of grant awards and other costs incurred towards achieving BHF's charitable objectives. Grant expenditure is recognised in the year of award and when communicated to the recipient in line with the SORP (see 'awards' for more detail on individual grant types).

Direct costs, including directly attributable salaries, are allocated on an actual basis to each expenditure heading.

Shared costs are allocated, where appropriate, across different expenditure headings.

Governance costs relate to the management of BHF's assets, organisational administration and compliance with constitutional and statutory requirements.

Support costs are costs incurred which are not directly attributable to our charitable, fundraising or retail activities, including for example head-office finance, human resources and legal costs. Governance and support costs have been allocated to expenditure headings on a basis relevant to the nature of the underlying cost, including headcount, time spent or in proportion to resources used.

Costs arising from service contracts to use cloud-based software are recognised as an expense in the Statement of Financial Activities.

Irrecoverable VAT is included within the expense items to which it relates.

Awards

Grants awarded are included within charitable expenditure when the award of the grant has been communicated to the recipient.

Notes to the accounts

Grants awarded are commitments by BHF to reimburse grant recipients for expenditure incurred, up to the value of the grant award. Grant payments are made to recipients retrospectively when invoiced by the recipient and when supporting evidence of costs incurred has been provided. To calculate the grants award liability, the timing and value of grant payments is estimated using a portfolio approach based on historical experience of similar grant awards. The expected underspend against award value reflected within the grant liability range from zero to 16.1% of award value and at 31 March 2025 reflects 5.8% (2024: 5.2%) of the grant award value for open grants.

All grant liabilities in excess of one year are discounted to net present value. The discount rate used to determine the net present value is calculated with reference to UK Gilt yields at the balance sheet date, weighted to reflect the expected phasing of future grant payments. The discount rate applied at 31 March 2025 was 2.46% (2024: 3.15%).

Further information on specific types of awards are detailed below.

Chairs of BHF Professors (Grant awards)

Awards are subject to a quinquennial site visit and review. For new chairs, an initial five-year award is recognised in the financial statements, with a further five years disclosed as a contingent liability and recognised as a liability in the financial statements only on satisfactory completion of the quinquennial site visit and review. For chairs awarded before this policy changed, a contingent liability is recognised from the end of the current five-year award up to the date of retirement.

Programme grants

Awards run initially for five years with a two-and-a-half year review and can be extended for a further period of five years subject to Committee approval. On the basis of experience, it is assumed that the overwhelming majority of applicants will be successful at the mid-term review and therefore a liability is recognised in the financial statements for expected future payments required to settle BHF's five-year commitment.

Other Research grants

Where grants are conditional upon the successful achievement of project milestones the total award value is disclosed as a contingent liability and expected payments to the next milestone performance review are recognised as a grant liability in the financial statements. For unconditional grants, a liability is recognised in the financial statements for expected future payments required to settle grant awards.

Health grants

Grants are made in furtherance of BHF's objective to work with patients and the public for better health and care. On award of a grant, a liability is recognised in the financial statements for the expected future payments required to settle the grant award.

Notes to the accounts

Fund accounting

Unrestricted funds comprise funds that are available for use at the trustees' discretion in furtherance of BHF's objectives. Restricted funds are subject to restrictions imposed by the donor. Endowment funds, which are permanent, represent amounts for which the capital must be retained and invested.

Intangible fixed assets

Intangible assets are recognised if it is probable that the expected future economic benefits that are attributable to the asset will flow to the charity and the cost of the asset can be measured reliably. Intangible assets are recognised at cost and amortised from the moment they are available for use on a straight line basis for a period of up to eight years.

Assets under construction represent capitalised costs for system changes where the benefits would start to be realised in future years. This will be amortised when the assets are put into use.

Tangible fixed assets

Tangible assets are stated at cost which includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is calculated on a straight line basis. The costs of fixed assets are written off over their estimated useful lives at the following rates:

Freehold property:
over 50 years

Short leasehold property:
over the life of the lease

Shop fittings:
over 7 years

Plant, equipment and vehicles:
over 3–4 years

IT equipment and software:
over 3–5 years.

BHF only capitalises items costing more than £1,000. However, if components of equipment (e.g. office furnishings or personal computers) are acquired with individual unit costs below the capitalisation threshold, but with collective costs exceeding £1,000 and anticipated asset lives in excess of two years, then these groups of assets are collectively capitalised at the time of purchase. The holding values and estimated useful lives of assets are regularly reviewed for impairment and where deemed appropriate, are written down.

Investments

Investments are a form of basic financial instrument and are initially recognised at transaction value and subsequently measured at fair value as at the balance sheet date using the closing market bid price. The statement of financial activities includes the net unrealised gains and losses arising on revaluation and realised gains and losses arising from disposals throughout the year. Realised gains and losses are calculated as the difference between sale proceeds and the opening carrying value or the purchase value if acquired in the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year-end and the opening carrying value or purchase value if acquired in the financial year.

Notes to the accounts

Foreign currency

Foreign currency transactions are recorded at the exchange rate at the time of the transaction. Foreign currency balances are translated into sterling at the exchange rate at the balance sheet date. Resulting gains or losses are included in the statement of financial activities.

Cash at bank and in hand, and cash equivalents

Cash at bank and in hand includes interest and non-interest bearing accounts held at call or on demand with banks, and cash in hand. In accordance with the Charities SORP, BHF includes cash equivalents held to meet short-term cash commitments within the cash at bank and in hand amount on the balance sheet. Cash equivalents are readily realisable short-term investments that are convertible to known amounts of cash and that are subject to an insignificant risk of changes in value, such as monies accessible within 3 working days, without interest penalty. An analysis of the group's cash and cash equivalents is shown within the analysis of changes in net debt under the group statement of cash flows.

Inventories

Inventories purchased for sale are valued on a weighted average cost basis and carried at the lower of cost and net realisable value. Provision is made to reduce carrying values to net realisable value for slow moving, obsolete and defective stock. The provision at 31 March 2025 was £0.2m (2024: £0.3m). Inventories does not include goods donated for sale as it is impractical to measure the fair value of these donated items reliably.

Pension costs

BHF's defined benefit scheme was closed to future accrual on 31 May 2016. BHF employee costs include the net pension finance income or costs, together with the expenses of running the Scheme. Actuarial gains and losses are recognised immediately on the face of the statement of financial activities. Where the pension scheme valuation shows a net deficit, this is reported separately on the face of the balance sheet and within reserves. Where the valuation shows a net surplus, an asset ceiling is applied to the extent that future economic benefits are not available to the Charity in the form of a reduction in future contributions or a cash refund. The detailed assumptions relating to the valuation of the defined benefit scheme can be found in note 16.

For defined contribution schemes, the amount charged to the statement of financial activities for pension costs is the total contributions payable in the year. This amount is allocated to expenditure headings and funds on the same basis as staff costs, reflecting the activities performed by staff.

Operating leases

Rents payable under operating leases are charged to the statement of financial activities on a straight line basis over the lease term. Benefits received as a lease incentive are credited to the statement of financial activities, to reduce the lease expense, on a straight-line basis over the lease term.

Notes to the accounts

Finance leases

A lease is classified as a finance lease if it transfers substantially all of the risks and rewards of ownership of the leased asset to the Group. Assets acquired under finance leases are reported within fixed assets and are capitalised when acquired at fair value or, if lower, at the present value of the minimum lease payments. These assets are subsequently depreciated over the shorter of the estimated useful economic life of the asset or the lease term. The payment obligations arising from the future lease payments are discounted and recorded as a liability in the balance sheet.

Taxation

As a registered charity BHF is entitled to certain exemptions from corporation tax on profits from investments and any trading activities carried on in furtherance of the Charity's primary objectives. The subsidiary companies make qualifying donations of all taxable profits to BHF and thus do not incur corporation tax. Costs are recorded net of recoverable VAT as the Group is able to reclaim a proportion of VAT paid, because of its trading activities, using the partial exemption method.

Significant areas of estimation and judgement

The preparation of the financial statements requires judgements, estimations and assumptions to be made that affect the reported values of assets, liabilities, revenues and expenses. The nature of estimation and judgement means that actual outcomes could differ from expectation.

Critical accounting judgements

In the event that the FRS 102 valuation of the defined benefit pension scheme identifies a net surplus, judgement is applied regarding the extent to which any such surplus is available to BHF in the form of a reduction in future contributions or a cash refund. Where such a surplus is not deemed available to BHF, an asset ceiling is applied, as further discussed in note 16.

Sources of estimation uncertainty

- Accrued legacy income is estimated based on the best information available at the balance sheet date. Historical average legacy income is used to provide an estimated valuation where no specific information is available. An increase/(decrease) to the average legacy value of 5% would result in an increase/(decrease) to accrued legacy income of £0.4m (0.4%). In calculating the accrued value of each estate we apply an estimated deduction of 5% to reflect the costs and uncertainty of administering the estate. An increase/(decrease) of 1% to the provision for legacy administration would result in an (decrease)/increase to accrued legacy income of £1.1m (1.0%).

Notes to the accounts

- Grant liabilities are estimated based on expected future cash flows and the expected utilisation against original award values, calculated based on historical grant payment profiles and utilisation rates. Amounts falling due after more than one year are then discounted based on expected future cash flows. A 1% increase/(decrease) to the utilisation rate applied to grant awards would result in a £4.0m (1.0%) increase/(decrease) in the liability for research and other grant awards. A 1% increase/(decrease) to the discount rate used would result in a £5.1m (1.2%) decrease/(increase) in the liability for research and other grant awards.

- BHF recognises and discloses its defined benefit pension obligation in accordance with 'FRS 102– Employee Benefits'. The valuation, prepared by a qualified actuary, reflects a number of judgements and estimations including the expected return on assets, the discount rate, cost inflation and life expectancy. Changes in these assumptions have a significant effect on the value of the defined benefit pension obligation. A 0.5% increase/(decrease) to the discount rate used would result in a £2.3m (7.0%) decrease/£2.7m (8.0%) increase in the defined benefit obligation. A 0.5% increase/(decrease) to the rate of inflation used would result in a £1.0m (3.0%) increase/£0.7m (2.0%) (decrease) in the defined benefit obligation.

- Provisions for liabilities and charges (see note 13) represents the best estimate of the liability at the balance sheet date of future unavoidable lease costs in respect of loss-making stores and an estimate of the probable future costs of restoring rented properties to their required condition at the ultimate expiry of the lease. The actual liability will be dependent on future events including whether a relevant property lease is renewed on expiry. Expectations are revised at each period end until the actual liability arises, with any difference accounted for in the period in which revision is made.

Notes to the accounts

2. Donations and legacies

	Unrestricted funds £m	Restricted funds £m	**2025 Total funds £m**	Unrestricted funds £m	Restricted funds £m	**2024 Total funds £m**
Legacies	107.5	0.9	**108.4**	99.8	1.6	101.4
Donations	29.9	12.8	**42.7**	26.3	7.4	33.7
Donations received in BHF Shops	3.6	–	**3.6**	3.6	–	3.6
Volunteer fundraising	7.4	0.2	**7.6**	7.0	0.1	7.1
Total income from donations and legacies	148.4	13.9	**162.3**	136.7	9.1	**145.8**

The Charity has received notification of 378 legacies (2024: 383) with an estimated value of £10.4m (2024: £12.2m) which are not included in legacy income. This includes legacies which are subject to a life interest, legacies which have not yet been granted probate, and contentious legacies.

Notes to the accounts

3. Trading activities

	Income /direct costs £m	Support cost allocation £m	**2025 Total £m**	Income /direct costs £m	Support cost allocation £m	**2024 Total £m**
Retail income*	229.6	–	**229.6**	233.7	–	**233.7**
Retail costs	(224.1)	(5.5)	**(229.6)**	(213.1)	(5.4)	**(218.5)**
Retail net profit**	5.5	(5.5)	**–**	20.6	(5.4)	**15.2**
Income from fundraising trading activities	7.9	–	**7.9**	6.9	–	**6.9**
Costs of fundraising trading	(4.2)	–	**(4.2)**	(4.1)	–	**(4.1)**
Net fundraising trading income	3.7	–	**3.7**	2.8	–	**2.8**
Contribution from trading activities	9.2	(5.5)	**3.7**	23.4	(5.4)	**18.0**
Represented by:						
Total trading income	237.5	–	**237.5**	240.6	–	**240.6**
Total trading costs	(228.3)	(5.5)	**(233.8)**	(217.2)	(5.4)	**(222.6)**
Contribution from trading activities	9.2	(5.5)	**3.7**	23.4	(5.4)	**18.0**

* 2025 includes income of £65.2m (2024: £63.5m) representing donations from our supporters on which Gift Aid has been claimed from sale of goods through the Retail Gift Aid Programme.

**Included within Retail net profit of £nil are net gains of £0.8m, related to the disposal of the Claygate retail premises and associated costs. The premises were sold for proceeds of £2.9m, with a net book value of £1.8m being written off. The closure of the office required a consultation with affected employees, with some opting for redundancy at a cost of £0.2m. There were additional disposal costs of £0.1m.

Notes to the accounts

4. Gross expenditure

	Awards (note 11) £m	Staff costs £m	Other direct costs £m	Support costs allocated £m	**Total 2025 £m**	Awards (note 11) £m	Staff costs £m	Other direct costs £m	Support costs allocated £m	**Total 2024 £m**
Expenditure on raising funds										
Costs of raising funds	–	19.1	16.7	10.2	**46.0**	–	16.4	12.5	7.9	**36.8**
Investment management fees	–	–	1.2	–	**1.2**	–	–	1.1	–	**1.1**
Total fundraising costs	–	19.1	17.9	10.2	**47.2**	–	16.4	13.6	7.9	**37.9**
Expenditure on trading activities										
Retail costs	–	87.5	136.6	5.5	**229.6**	–	78.4	134.7	5.4	**218.5**
Other trading costs	–	–	4.2		**4.2**	–	–	4.1		**4.1**
Total trading costs	–	87.5	140.8	5.5	**233.8**	–	78.4	138.8	5.4	**222.6**
Expenditure on charitable activities										
Research	95.6	1.6	0.6	1.1	**98.9**	113.7	1.5	0.5	1.0	**116.7**
Health	3.0	5.9	31.6	6.7	**47.2**	1.6	7.3	24.4	6.2	**39.5**
Total charitable expenditure	98.6	7.5	32.2	7.9	**146.2**	115.3	8.8	24.9	7.2	**156.2**
Support cost allocated	–	22.2	1.4	(23.6)	**–**	–	18.7	1.8	(20.5)	**–**
Total expenditure	98.6	136.3	192.3	(0.0)	**427.2**	115.3	122.3	179.1	0.0	**416.7**

Support costs included in gross expenditure
BHF adopts a policy of allocating costs to the respective cost headings throughout the year, and this allocation includes support costs where they are directly attributable. Support costs are allocated to activities on a basis relevant to the nature of the underlying cost, including headcount, time spent or in proportion to resources used.

Notes to the accounts

4. Gross expenditure (continued)

Analysis of support costs

	Charitable expenditure					Charitable expenditure				
	Fundraising £m	**Trading** £m	**Research** £m	**Health** £m	**Total 2025** £m	Fundraising £m	Trading £m	Research £m	Health £m	**Total 2024** £m
CEO, strategy and legal	0.8	0.4	0.3	0.6	**2.1**	0.6	0.3	0.2	0.5	**1.6**
Information technology	4.1	2.5	0.3	2.9	**9.8**	4.1	1.7	0.4	3.4	**9.6**
Finance and procurement	2.5	1.2	0.3	0.9	**4.9**	1.4	1.4	0.2	0.7	**3.7**
Human resources	2.4	1.1	0.3	2.1	**5.9**	1.4	1.8	0.2	1.3	**4.7**
Facilities management	0.2	0.1	–	0.1	**0.4**	0.2	–	–	0.2	**0.4**
Governance costs	0.2	0.2	–	0.1	**0.5**	0.2	0.2	–	0.1	**0.5**
Total support costs	**10.2**	**5.5**	**1.2**	**6.7**	**23.6**	7.9	5.4	1.0	6.2	**20.5**

Support costs are made up of:	**2025** £m	2024 £m
Staff costs	**22.2**	18.7
Other costs	**1.4**	1.8
Total support costs	**23.6**	20.5

Notes to the accounts

4. Gross expenditure (continued)

Gross expenditure for the year is stated after charging/(crediting):	**2025 £m**	2024 £m
Operating lease rentals (land and buildings)	**26.5**	26.1
(Gain) on disposal of fixed assets	**(1.0)**	(0.3)
Depreciation and amortisation charges for the year	**11.8**	9.6
Provision for impairment	**0.1**	0.1
Auditors' remuneration*:		
Audit fee	**0.2**	0.2
Non audit fees	**0.1**	0.1

*Auditors' remuneration in 2024-25 relating to BDO LLP comprises £155,000 for the audit of the charity and £39,450 for the audit of subsidiary undertakings. In addition, £97,096 was incurred for tax advisory services.
Auditors' remuneration in 2023-24 relating to BDO LLP was £154,875 for the audit of the charity and £39,375 for the audit of subsidiary undertakings. In addition £69,686 was incurred for tax advisory services.
All numbers exclude VAT.

Staff and Trustee information **Staff costs**	**2025 £m**	2024 £m
Wages and salaries	**115.8**	103.9
Social security costs	**10.4**	9.0
Pension costs (see note 16)	**6.5**	5.9
Other benefits	**1.8**	1.1
Other staff costs	**1.8**	2.4
Total staff costs	**136.3**	122.3

Wages and salaries include redundancy costs of £0.5m (2024: £0.4m) arising from restructuring activities completed during the year. Redundancy costs are recognised and accrued when the employee has been notified of the planned redundancy.

Notes to the accounts

4. Gross expenditure (continued)

All staff are employed by BHF. The average number of staff, employed in the year, was:

	2025	2024
Head office	**795**	696
Regions	**76**	73
Shops	**3,674**	3,552
Total number of staff	**4,545**	4,321
Reflecting:		
Full time staff	**2,571**	2,486
Part time staff	**1,974**	1,835
Total number of staff	**4,545**	4,321
Full time equivalent average headcount	**3,692**	3,632

The following numbers of staff have emoluments above £60,000:

	2025	2024
Between £60,000 – £70,000	**79**	65
Between £70,001 – £80,000	**47**	39
Between £80,001 – £90,000	**19**	20
Between £90,001 – £100,000	**15**	11
Between £100,001 – £110,000	**8**	7
Between £110,001 – £120,000	**2**	1
Between £120,001 – £130,000	**1**	–
Between £130,001 – £140,000	**–**	1
Between £140,001 – £150,000	**1**	1
Between £150,001 – £160,000	**1**	–
Between £160,001 – £170,000	**1**	2
Between £170,001 – £180,000	**2**	1
Between £180,001 – £190,000	**1**	–
Between £190,001 – £200,000	**1**	1
Between £200,001 – £210,000	**–**	–
Between £210,001 – £220,000	**1**	1
Between £220,001 – £230,000	**1**	–

The key management personnel of BHF are the members of the Executive Group, further details of the membership and function of which is provided on page 96. The total employee benefits of the Executive Group in the year was £1.7m (2024: £1.3m).

Trustee costs: no trustees received any remuneration for services as members of the Board of Trustees and three trustees (2024: two trustees) were reimbursed for travelling expenses to and from meetings at a cost of £1,499 (2024: £226). As permitted in the Articles of Association, Trustee indemnity insurance was purchased at a total cost of £22,792 (2024: £22,792).Total Donations from trustees amounted to £5,020 (2024: £39,000).

Notes to the accounts

5. Statement of funds

	Note	Balance 1 April 2024 £m	Income £m	Expenditure £m	Net investment gain £m	Other recognised losses £m	Balance 31 March 2025 £m
Endowment funds (Group and Charity):							
Chair endowment trusts	a	**7.1**	–	–	–	–	**7.1**
G M Yule bequest	b	**0.1**	–	–	–	–	**0.1**
Dr John A Gordon memorial trust	c	**0.3**	–	–	–	–	**0.3**
Total endowment funds		**7.5**	–	–	–	–	**7.5**
Restricted funds (Group and Charity)							
Research	d	**7.3**	5.8	(6.3)	–	–	**6.8**
Health	e	**0.2**	6.4	(1.4)	–	–	**5.2**
Unallocated legacies	f	**1.3**	0.6	(0.7)	–	–	**1.2**
Oxford IDRM	g	**2.5**	0.1	(0.2)	–	–	**2.4**
Regenerative medicine	h	**0.7**	0.8	(1.5)	–	–	**0.0**
UK Government Covid-19 Medical Research Charity Support Fund for Early Career Researchers	i	**1.6**	0.1	(1.1)	–	–	**0.6**
Total restricted funds		**13.6**	13.8	(11.2)	–	–	**16.2**
Unrestricted funds (Group)		**117.2**	396.7	(415.9)	10.5	(2.0)	**106.5**
Unrestricted funds (Charity)		**99.3**	372.3	(391.7)	10.5	(2.0)	**88.4**
Total Group funds		**138.3**	410.5	(427.1)	10.5	(2.0)	**130.2**
Total Charity funds		**120.4**	386.1	(402.9)	10.5	(2.0)	**112.1**

a. The Chair endowment trusts represent permanent endowments returned to BHF by certain universities (see below). The interest earned on the money held is restricted and expended on BHF's Chairs of Cardiovascular Medicine.

b. Income from the G M Yule bequest is available for the general activities of the charity.

c. Income from the Dr John A Gordon memorial trust fund is restricted to expenditure on health activities.

d. Income where the donor has specified that the donation should be expended on BHF's research activities.

e. Income where the donor has specified that the donation should be expended on BHF's health activities.

f. Restricted legacy donations are received for both research and health activities. In some cases we are unable to distribute funds fully according to the specific terms of the bequest in the year of receipt and expenditure takes place in future years.

Notes to the accounts

5. Statement of funds (continued)

	Note	Balance 1 April 2023 £m	Income £m	Expenditure £m	Net investment gain £m	Other recognised losses £m	Balance 31 March 2024 £m
Endowment funds (Group and Charity):							
Chair endowment trusts	a	**7.1**	–	–	–	–	**7.1**
G M Yule bequest	b	**0.1**	–	–	–	–	**0.1**
Dr John A Gordon memorial trust	c	**0.3**	–	–	–	–	**0.3**
Total endowment funds		**7.5**	–	–	–	–	**7.5**
Restricted funds (Group and Charity)							
Research	d	**5.8**	4.8	(3.3)	–	–	**7.3**
Health	e	**0.4**	0.8	(1.0)	–	–	**0.2**
Unallocated legacies	f	**1.6**	0.5	(0.8)	–	–	**1.3**
Oxford IDRM	g	**2.4**	0.1	–	–	–	**2.5**
Regenerative medicine	h	**1.8**	0.9	(2.0)	–	–	**0.7**
UK Government Covid-19 Medical Research Charity Support Fund for Early Career Researchers	i	**3.7**	2.0	(4.1)	–	–	**1.6**
Total restricted funds		**15.7**	9.1	(11.2)	–	–	**13.6**
Unrestricted funds (Group)		**102.4**	389.8	(405.5)	30.5	–	**117.2**
Unrestricted funds (Charity)		**85.0**	365.5	(381.7)	30.5	–	**99.3**
Total Group funds		**125.6**	398.9	(416.7)	30.5	–	**138.3**
Total Charity funds		**108.2**	374.6	(392.9)	30.5	–	**120.4**

g. Income towards BHF's research activities at the Institute of Developmental and Regenerative Medicine (IDRM), based at Oxford University, a world-leading centre for stem cell technology.

h. Includes income from the London Marathon (October) 2022 restricted fundraising appeal, and the Mending Broken Hearts ("MBH") 50th anniversary appeal, expended on BHF's regenerative medicine research activities.

i. Income from the UK Government to protect the pipeline of early career researchers supported by BHF.

Endowment of Chairs of BHF Professors

BHF has 25 Chairs of BHF Professors as at 31 March 2025. Of this number, 3 universities hold endowments and 6 previously returned endowments are held on BHF's balance sheet as permanent endowment funds with the income being used to part fund the ongoing cost of the chairs.

Notes to the accounts

5. Statement of funds (continued)

Analysis of Group net assets between funds	Current year ended 31 March 2025				Prior year ended 31 March 2024			
	Unrestricted funds £m	Restricted funds £m	Endowment funds £m	**Total 2025 £m**	Unrestricted funds £m	Restricted funds £m	Endowment funds £m	**Total 2024 £m**
Intangible fixed assets	4.7	–	–	**4.7**	–	–	–	**–**
Tangible fixed assets	32.2	–	–	**32.2**	32.3	–	–	**32.3**
Investments	251.1	–	–	**251.1**	270.7	–	–	**270.7**
Current assets	225.0	16.2	7.5	**248.7**	217.6	13.6	7.5	**238.7**
Current liabilities	(171.5)	–	–	**(171.5)**	(160.6)	–	–	**(160.6)**
Long-term liabilities	(235.0)	–	–	**(235.0)**	(242.8)	–	–	**(242.8)**
Total net assets as at 31 March	**106.5**	**16.2**	**7.5**	**130.2**	**117.2**	**13.6**	**7.5**	**138.3**

Analysis of Charity net assets between funds	Current year ended 31 March 2025				Prior year ended 31 March 2024			
	Unrestricted funds £m	Restricted funds £m	Endowment funds £m	**Total 2025 £m**	Unrestricted funds £m	Restricted funds £m	Endowment funds £m	**Total 2024 £m**
Intangible fixed assets	4.7	–	–	**4.7**	–	–	–	–
Tangible fixed assets	32.2	–	–	**32.2**	32.3	–	–	**32.3**
Investments	251.1	–	–	**251.1**	270.7	–	–	**270.7**
Current assets	205.4	16.2	7.5	**229.1**	199.8	13.6	7.5	**220.9**
Current liabilities	(170.0)	–	–	**(170.0)**	(160.6)	–	–	**(160.6)**
Long-term liabilities	(235.0)	–	–	**(235.0)**	(242.8)	–	–	**(242.8)**
Total net assets as at 31 March	**88.4**	**16.2**	**7.5**	**112.1**	**99.4**	**13.6**	**7.5**	**120.5**

Notes to the accounts

6. Intangible fixed assets

Group and Charity

	Software under development £m	**Total £m**
Cost		
At 1 April 2024	–	–
Additions	4.7	4.7
At 31 March 2025	4.7	4.7
Accumulated amortisation		
At 1 April 2024	–	–
Amortisation charge	–	–
At 31 March 2025	–	–
Net book values		
At 31 March 2025	4.7	**4.7**
At 31 March 2024	–	–

At 31 March 2025, approved and contracted for capital commitments amounted to £9.5m (2024: £nil).
At 31 March 2025, authorised but not contracted for capital commitments amounted to £8.1m (2024: £nil).

Notes to the accounts

7. Tangible fixed assets

Group and Charity	Freehold property £m	Short leasehold property £m	Shop fixture and fittings £m	Vehicles £m	Furniture and equipment £m	IT equipment £m	Assets under construction £m	Total £m
Cost								
At 1 April 2023	2.4	35.3	32.0	1.8	12.0	29.1	3.6	**116.2**
Transfers	–	–	–	–	(0.1)	6.0	(5.9)	**–**
Additions	–	3.5	3.4	1.3	0.9	0.2	3.1	**12.4**
Disposals	–	(1.2)	(0.8)	(1.4)	(0.2)	(0.9)	–	**(4.5)**
At 31 March 2024	2.4	37.6	34.6	1.7	12.6	34.4	0.8	**124.1**
Transfers	–	–	–	–	–	1.8	(1.8)	**–**
Additions	–	5.4	5.6	0.1	0.7	0.3	1.6	**13.7**
Disposals	(2.4)	(0.8)	(1.7)	–	(1.8)	(0.3)	–	**(7.0)**
At 31 March 2025	–	42.2	38.5	1.8	11.5	36.2	0.6	**130.8**
Accumulated depreciation								
At 1 April 2023	0.6	25.8	25.6	1.4	11.4	21.5	–	**86.3**
Depreciation charge	–	2.1	1.8	0.3	0.4	5.0	–	**9.6**
Provision for impairment	–	0.1	–	–	–	–	–	**0.1**
Disposals	–	(1.0)	(0.7)	(1.4)	(0.2)	(0.9)	–	**(4.2)**
At 31 March 2024	0.6	27.0	26.7	0.3	11.6	25.6	–	**91.8**
Depreciation charge	–	2.7	1.9	0.4	0.4	6.4	–	**11.8**
Provision for impairment	–	–	–	–	–	–	–	**–**
Disposals	(0.6)	(0.8)	(1.5)	–	(1.8)	(0.3)	–	**(5.0)**
At 31 March 2025	–	28.9	27.1	0.7	10.2	31.7	–	**98.6**
Net book values								
At 31 March 2025	**–**	**13.3**	**11.4**	**1.1**	**1.3**	**4.5**	**0.6**	**32.2**
At 31 March 2024	1.8	10.6	7.9	1.4	1.0	8.8	0.8	**32.3**

The net carrying amount of assets held under finance leases included in IT equipment and software is £0.6m (2024: £0.7m) and vehicles is £1.0m (2024: £1.4m).
At 31 March 2025 the Group had £nil (2024: £nil) of capital expenditure commitments for which no provision has been made.

Notes to the accounts

8. Investments

Group and Charity

	2025 £m	2024 £m
Analysis of movement		
Market value at 1 April	**270.7**	185.8
Purchase of investments at cost	**125.0**	194.6
Disposal proceeds	**(155.1)**	(140.2)
Net gain on investments	**10.5**	30.5
Market value at 31 March	**251.1**	270.7
Original cost	**225.1**	228.5
Represented by		
Listed investments: equities	**103.0**	151.6
Short dated corporate bonds	**145.7**	116.0
Cash held for investment purposes	**2.4**	3.1
Total investments at 31 March	**251.1**	270.7

Listed investments include overseas investments of £100.1m (2024: £148.3m).

No material shareholdings were held by the Charity in any one company. The trustees consider the value of investments to be supported by their underlying assets, as appropriate.

The Charity holds 100% shareholdings in the two (2024: two) subsidiary undertakings within the Group; these are valued at cost of £5 (see note 15).

For investments sold during the financial year, the realised gain against historic cost was £26.8m (2024: £8.5m)

9. Inventories

	Group		Charity	
	2025 £m	2024 £m	**2025 £m**	2024 £m
Goods held for resale	8.8	7.6	**–**	–
	8.8	7.6	**–**	–

Inventories in the Group balance sheet represents the value of purchased goods held for resale in BHF Shops Ltd.

10. Debtors

	Group		Charity	
	2025 £m	2024 £m	**2025 £m**	2024 £m
Amount owed by subsidiary undertakings	**–**	–	**4.1**	–
Other debtors	**6.2**	5.1	**5.4**	4.1
Tax recoverable	**3.4**	5.3	**3.4**	5.3
Prepayments	**12.6**	11.5	**12.6**	11.5
Accrued income	**8.3**	2.1	**7.9**	1.9
Accrued legacies	**114.1**	109.1	**114.1**	109.1
Total debtors	**144.6**	133.1	**147.5**	131.9

Some accrued legacy income may be received after more than one year, but this has not been estimated due to uncertainty in the timing of receipt of such income.

Notes to the accounts

11. Research and other grant awards

Group and Charity	Health £m	Research £m	2025 £m	2024 £m
Research and other grant awards				
Grants awarded during the year	3.0	108.4	**111.4**	121.0
Movement in estimated future grant underspend	–	(16.0)	**(16.0)**	(7.1)
Decrease in grant discount	–	3.2	**3.2**	1.4
Net research grant awards as recognised in the statement of financial activities	3.0	95.6	**98.6**	115.3
Payments made during the year	(0.7)	(90.9)	**(91.6)**	(65.3)
Net movement in liability during the year	2.3	4.7	**7.0**	50.0
Grant liability at 1 April	2.8	354.3	**357.1**	307.1
Grant liability at 31 March	**5.1**	**359.0**	**364.1**	357.1
Awards falling due within one year			**134.0**	119.3
Awards falling due after more than one year			**230.1**	237.8
Grant liability at 31 March			**364.1**	357.1
Research and other grant awards commitments				
Total grants awarded and unpaid at 31 March, including conditional grant awards (total grant commitments)			**431.1**	415.3
Less conditional translation awards and Chairs grants*			**(11.1)**	(5.4)
Total unconditional grant awards outstanding at 31 March			**420.0**	409.9
Less estimated future grant award underspend*			**(42.2)**	(35.9)
Less grant discount			**(13.7)**	(16.9)
Grant liability at 31 March			**364.1**	357.1

Notes * BHF has a contingent liability of £53.3m (2024: £41.3m) including £11.1m (2024: £5.4m) for awards conditional upon the favourable outcome of scientific reviews and £42.2m (2024: £35.9m) representing the expected future underspend against grant awards.

Notes to the accounts

11. Research and other grant awards (continued)

The Charity has discounted its long term liabilities, both for Research and Health grant funding. A discount rate of 2.46% (2024:3.15%) has been applied to both amounts recognised in the financial statements as grant creditors and grant commitments (not applied to the financial statements). The discount rate applied is calculated with reference to UK Gilt yields at the balance sheet date, weighted to reflect the expected phasing of future grant payments. The gross discount value included in total liabilities for Research grant awards is £13.6m (2024: £16.8m) and for Health grant awards £0.1m (2024: £0.1m).

The Charity occasionally receives applications for grants from, and makes awards to universities and hospitals which employ members of the Board of Trustees or Council in senior research capacities. All grants are made to institutions, and a list of awards made during the year is available in the Charity's website at www.bhf.org.uk/research/information-for-researchers/previous-awards (this is unaudited). The top 50 grants made in 2024-25 are listed on this page.

Institution	Activity	Number of grants	2025 £m
Imperial College	Research	8	8.1
University College London	Research	6	5.3
University of Oxford	Research	5	5.0
Our Future Health	Research	1	5.0
University of Manchester	Research	3	4.3
King's College London	Research	4	4.0
The Francis Crick Institute	Research	2	3.2
University of Edinburgh	Research	3	2.9
University of Cambridge	Research	3	2.7
University of Glasgow	Research	3	2.1
University of Leicester	Research	3	2.1
University of Reading	Research	1	1.5
University of Sheffield	Research	1	1.4
Welsh Government	Research	1	1.0
University of Bristol	Research	1	0.8
Newcastle University	Research	1	0.8
University of Birmingham	Research	1	0.7
University of Aberdeen	Research	1	0.6
Queen Mary University	Research	1	0.5
University of Leeds	Research	1	0.5
Total		50	52.5
Other grants paid to institutions	Research		55.9
	Health		3.0
Total grants and awards			**111.4**

Notes to the accounts

12. Other creditors

	Group		Charity	
	2025 £m	2024 £m	**2025 £m**	2024 £m
Other creditors	**4.6**	8.8	**4.1**	8.4
Amount owed to subsidiary undertakings	**–**	–	**–**	0.8
Finance lease creditor	**0.8**	0.8	**0.8**	0.8
Taxation and social security	**2.3**	2.2	**2.3**	2.2
Accruals	**24.5**	25.4	**23.6**	25.0
Deferred income	**3.4**	2.4	**3.3**	2.4
Holiday pay accrual	**1.9**	1.7	**1.9**	1.7
Total other creditors	**37.5**	41.3	**36.0**	41.3

Deferred income	Group		Charity	
	2025 £m	2024 £m	**2025 £m**	2024 £m
Deferred income at 1 April	**2.4**	1.9	**2.4**	1.9
Released during the year	**(2.4)**	(1.9)	**(2.4)**	(1.9)
Income received during the year to be deferred	**3.4**	2.4	**3.3**	2.4
Deferred income at 31 March	**3.4**	2.4	**3.3**	2.4

Deferred income relates to events where income is received in advance.

Notes to the accounts

13. Provisions for liabilities and charges

	Group		Charity	
	2025 £m	2024 £m	**2025 £m**	2024 £m
Provision at 1 April	**3.7**	4.1	**3.7**	4.1
Provision utilised in year	**(0.9)**	(0.5)	**(0.9)**	(0.5)
Provision accrued in year	**1.2**	0.1	**1.2**	0.1
Provision at 31 March	**4.0**	3.7	**4.0**	3.7

The provision comprises the estimated future unavoidable lease costs of £0.1m (2024: £0.1m) in respect of loss-making stores and an estimate of the probable future costs of restoring rented properties to their required condition at the ultimate expiry of the lease of £3.9m (2024: £3.6m) based on the dilapidation costs required, provided the lease is not renewed. The provision is expected to be utilised between 2025 and 2039 as leases terminate. Prior to confirmation of the payment amount and date, values are estimated based on historical data, the ongoing monitoring of lease contracts, and advice from property advisers.

14. Operating leases

At 31 March 2025 the Group had total commitments under non-cancellable operating leases as follows:

Payment due:	**2025 £m**	2024 £m
Within one year	**25.5**	24.0
Between two and five years	**60.6**	58.4
After five years	**19.9**	16.6
Total operating lease commitments	**106.0**	99.0

Notes to the accounts

15. Subsidiary undertakings

British Heart Foundation has two wholly owned non-charitable subsidiary undertakings registered in England and Wales, all of which are consolidated.
The registered address for all the subsidiary undertakings is Greater London House, 180 Hampstead Road, London NW1 7AW.

These are:

Company name	Registered company number	Activity
British Heart Foundation Ventures Limited	02767880	Making commission arrangements and sponsorship agreements
BHF Shops Limited	02472513	Retailing new (non donated) goods online and in BHF shops

The share capital of each subsidiary is as follows – British Heart Foundation Ventures Ltd (3 ordinary shares of £1), BHF Shops Ltd (2 ordinary shares of £1).
The taxable profits of these undertakings are paid to the Charity (parent) each year as Gift Aid.

	British Heart Foundation Ventures Limited £m	BHF Shops Limited £m	**Total 2025 £m**	Total 2024 £m
Turnover	0.8	48.0	**48.8**	47.7
Cost of sales	–	(24.3)	**(24.3)**	(23.9)
Gross profit	0.8	23.7	**24.5**	23.8
Other income	–	1.3	**1.3**	1.1
Other costs	–	(7.7)	**(7.7)**	(7.1)
Net taxable profit	0.8	17.3	**18.1**	17.8
Assets	0.8	22.6	**23.4**	17.8
Liabilities	–	(5.3)	**(5.3)**	–
Net assets	0.8	17.3	**18.1**	17.8

Notes to the accounts

16. Pensions

BHF operates a defined contribution scheme and a defined benefit scheme for its employees. The total pension cost for the financial year was:.

Pension costs	**2025 £m**	2024 £m
Defined contribution scheme	**6.4**	5.7
Defined benefit scheme	**0.1**	0.2
Total cost	**6.5**	5.9

BHF operates a defined benefit scheme, the assets of which are held in a separate Trustee-administered fund. The scheme closed to new entrants from 30 June 2001 and to service accrual on 31 May 2016, such that from this date the pension benefit for the remaining active members will be of a defined contribution type.

The last formal triennial valuation of the scheme was carried out as at 1 July 2023 and issued in October 2024. The market value of the scheme's assets as at 1 July 2023 was £37.2m and it showed a funding deficit of £1.5m. BHF will continue to separately settle the cost of running the Scheme. In accordance with the agreed Schedule of Contributions a £2.0m payment was made to the scheme by 31 December 2024. Since the year-end, BHF and the pension trustees have progressed an insurance transaction which ultimately targets a full buy-out of the Scheme. In connection with the purchase of a bulk annuity contract to fully secure the scheme members' benefits, a further contribution of £0.2m was made on 9 July 2025. Save for the settlement of Scheme expenses, no further BHF funding contribution is anticipated to be required.

In accordance with the requirements of the relevant accounting standard (FRS 102), the full actuarial valuation of the defined benefit scheme has been updated as at 31 March 2025 by a qualified actuary. This reflects the application of broadly consistent assumptions to the actuarial valuation, with the exception of the discount rate, where a less conservative rate is required by FRS 102. On the FRS 102 basis, the Scheme has a surplus at 31 March 2025 of £2.1m (2024: surplus of £2.1m). In accordance with FRS 102, this surplus is not recognised, as future economic benefits are not deemed available to BHF in the form of a reduction in future contributions or a cash refund.

Notes to the accounts

16. Pensions (continued)

The major assumptions used for the actuarial valuation were:

	2025 %	2024 %	2023 %	2022 %	2021 %
Salary growth	**3.2**	3.3	3.3	3.7	3.4
Pension increases in payment – Limited Price Indexation	**3.0**	3.1	3.2	3.6	3.3
Pension increases in payment – guaranteed	**5.0**	5.0	5.0	5.0	5.0
Discount rate	**5.7**	4.9	4.6	2.7	2.0
Inflation – RPI	**3.2**	3.3	3.3	3.7	3.4

Mortality

The average life expectancy in years of a pensioner retiring at age 65 on the balance sheet date is as follows:

	2025	2024
Male	**86.5**	86.5
Female	**88.9**	88.9

The average life expectancy in years of a pensioner retiring at age 65 twenty years after the balance sheet date is as follows:

	2025	2024
Male	**87.7**	87.7
Female	**90.3**	90.3

Notes to the accounts

16. Pensions (continued)

Major categories of plan assets as a percentage of total scheme assets:

	2025 %	2024 %
Corporate bonds	**48.0**	76.0
Liability Driven Investment (LDI) funds	**51.0**	23.0
Cash / other	**1.0**	1.0

Analysis of amount charged to the statement of financial activities under FRS 102

	2025 £m	2024 £m
Current service cost	**–**	–
Expenses	**0.1**	0.2
Past service cost	**–**	–
Total operating charge	**0.1**	0.2
Interest income on pension scheme assets	**(1.9)**	(1.8)
Interest on pension scheme liabilities	**1.8**	1.7
Interest effect of the asset ceiling	**0.1**	0.1
Total amount charged to the statement of financial activities	**0.1**	0.2
Analysis of actuarial (loss)/gain and effect of the asset ceiling		
Actuarial gain before consideration of asset ceiling	**0.0**	–
Amounts not recognised due to effect of asset ceiling	**(2.0)**	–
Total actuarial (loss)/gain and effect of asset ceiling	**(2.0)**	–

Notes to the accounts

16. Pensions (continued)

Analysis of changes in the present value of defined benefit obligations and fair value of assets

	Present value of defined benefit obligation		Fair value of scheme assets		Asset ceiling		Net value recognised in the balance sheet	
	2025 £m	2024 £m	**2025 £m**	2024 £m	**2025 £m**	2024 £m	**2025 £m**	2024 £m
Scheme (liabilities) / assets at the start of the year	**(37.0)**	(38.6)	**39.1**	40.6	**(2.1)**	(2.0)	**–**	–
Interest cost	**(1.7)**	(1.7)	**–**	–	**–**	–	**(1.7)**	(1.7)
Interest income on assets	**–**	–	**1.8**	1.8	**–**	–	**1.8**	1.8
Employer contributions	**–**	–	**2.0**	0.1	**–**	–	**2.0**	0.1
Actuarial gain / (loss) and effect of asset ceiling	**3.7**	1.7	**(3.7)**	(1.8)	**–**	–	**–**	(0.1)
Benefits paid	**1.8**	1.6	**(1.8)**	(1.6)	**–**	–	**–**	–
Interest effect of the asset ceiling	**–**	–	–	–	**(0.1)**	(0.1)	**(0.1)**	(0.1)
Remeasurement of the asset ceiling	**–**	–	–	–	**(2.0)**	–	**(2.0)**	–
Scheme (liabilities) / assets at the end of the year	**(33.2)**	(37.0)	**37.4**	39.1	**(4.2)**	(2.1)	**–**	–

Notes to the accounts

16. Pensions (continued)

Analysis of pension scheme assets and liabilities for the previous four financial years

	2025 £m	2024 £m	2023 £m	2022 £m	2021 £m
Defined benefit obligation (DBO)	**(33.2)**	(37.0)	(38.6)	(53.9)	(59.2)
Fair value of pension scheme assets (including assets ceiling)	**33.2**	37.0	38.6	53.9	59.2
Pension deficit	**–**	–	–	–	–
Experience gain/(loss) on pension scheme assets	**–**	(0.1)	(9.2)	0.2	(5.4)
Adjustments as a percentage of pension scheme assets	**0%**	0%	(24%)	0%	(9%)

Analysis of change in the effect of the asset limit

	2025 £m	2024 £m
Opening effect of the asset limits	**2.1**	2.0
Interest effect of the asset limit	**0.1**	0.1
Remeasurement of the asset limit	**2.0**	–
Closing effect on the asset limit	**4.2**	2.1

Notes to the accounts

17. Related party transactions

Donations received from and expenses reimbursed to trustees and the total employee benefits of the Executive Group of the Charity are disclosed in note 4.

As set out in note 11 on pages 131 to 132, the Charity occasionally receives applications for grants from, and makes awards to, universities and hospitals which employ members of the Board of Trustees in senior research capacities. All such grants are made to institutions. A summary of the top 50 grants is provided on page 132. In certain cases, a BHF Trustee holds a senior position in the institutions we fund. In this context, the grant funding is regarded as being between related parties, as the individuals concerned hold a position of influence in both parties to the transaction. Such instances are set out below, although in no case was the Trustee involved in either the grant funding decision or the grant application process:

Professor David Lomas was a Trustee of the Charity (until October 2024) and Professor of Medicine at University College London, which received £8.1m of grant funding during the year to 31 March 2025 (2024: £5.3m).

Professor Brian Walker is a Trustee of the Charity and Strategic Adviser and Professor of Medicine at Newcastle University, which received £1.8m grant funding during the year (2024: £1.4m).

Professor Sir Munir Pirmohamed is a Trustee of the Charity and a Non-Executive Director of NHS England and a member of the Council of the Medical Research Council, which received £12.5m grant funding during the year (2024: £0.4m). Professor Sir Munir Pirmohamed also holds the David Weatherall Chair in Medicine at the University of Liverpool, which received £0.4m grant funding during the year (2024: £nil). During the year the Charity was paid £0.3m (2024: £0.3m) by NHS England towards the operational costs of The Circuit: the national defibrillator network.

Professor Sadaf Farooqi is a Trustee of the Charity and Wellcome Principal Research Fellow and Professor of Metabolism and Medicine at the University of Cambridge, which received £7.0m grant funding during the year (2024: £14.0m) and Council Member at the Academy of Medical Sciences which received £0.1m grant funding during the year (2024: £0.1m).

Dr Sarah Clarke is Deputy Chair and Trustee of the Charity and Consultant Cardiologist and Clinical Director of Strategic Development at the Royal Papworth Hospital, part of the University of Cambridge, which received £7.0m grant funding during the year (2024: £14.0m).

For the year the Charity received income of £16.9m (2024: £16.3m) from BHF Shops Limited and £0.9m (2024: £1.1m) from British Heart Foundation Ventures Limited, being a corporate Gift Aid payment to the parent charity. In addition BHF Shops Limited reimbursed the Charity £6.9m (2024: £6.6m) for services and other expenses incurred on its behalf. At the year end, the Charity was due £4.0m (2024: owed £0.8m) from BHF Shops Limited and was due £0.1m (2024: £0.0m) from British Heart Foundation Ventures Limited.

Transactions by the Charity with its defined benefit pension scheme are set out in note 16. There were no other transactions during the year that come within the FRS 102 definition of 'related party transactions'.

Notes to the accounts

18. Financial instruments

	Note	Group		Charity	
		2025 £m	2024 £m	**2025 £m**	2024 £m
Financial assets at fair value through statement of financial activities					
Investments	8	**251.1**	270.7	**251.1**	270.7
Financial assets that are debt instruments measured at amortised cost					
Amount owed by subsidiary undertakings	10	**–**	–	**4.1**	–
Other debtors	10	**6.2**	5.1	**5.4**	4.1
Accrued income	10	**8.3**	2.1	**7.9**	1.9
Accrued legacies	10	**114.1**	109.1	**114.1**	109.1
Cash at bank and in hand		**95.3**	98.0	**81.6**	89.0
		223.9	214.3	**213.1**	204.1
Financial liabilities at fair value through statement of financial activities					
Grants liability	11	**364.1**	357.1	**364.1**	357.1
		364.1	357.1	**364.1**	357.1
Financial liabilities that are debt instruments measured at amortised cost					
Other creditors	12	**4.6**	8.8	**4.1**	8.4
Amounts owed to subsidiary undertakings	12	**–**	–	**–**	0.8
Accruals	12	**24.5**	25.4	**23.6**	25.0
		29.1	34.2	**27.7**	34.2

Legal and administrative details

Registered address

British Heart Foundation
Greater London House
180 Hampstead Road
London NW1 7AW

Tel: 020 7554 0000
bhf.org.uk

Company registration number: **699547**

Registered charity number
(England and Wales): 225971

Registered charity number
(Scotland): SCO39426

Registered charity number
(Isle of Man): 1295

Bankers and principal advisers

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National Westminster Bank PLC
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British Heart
Foundation

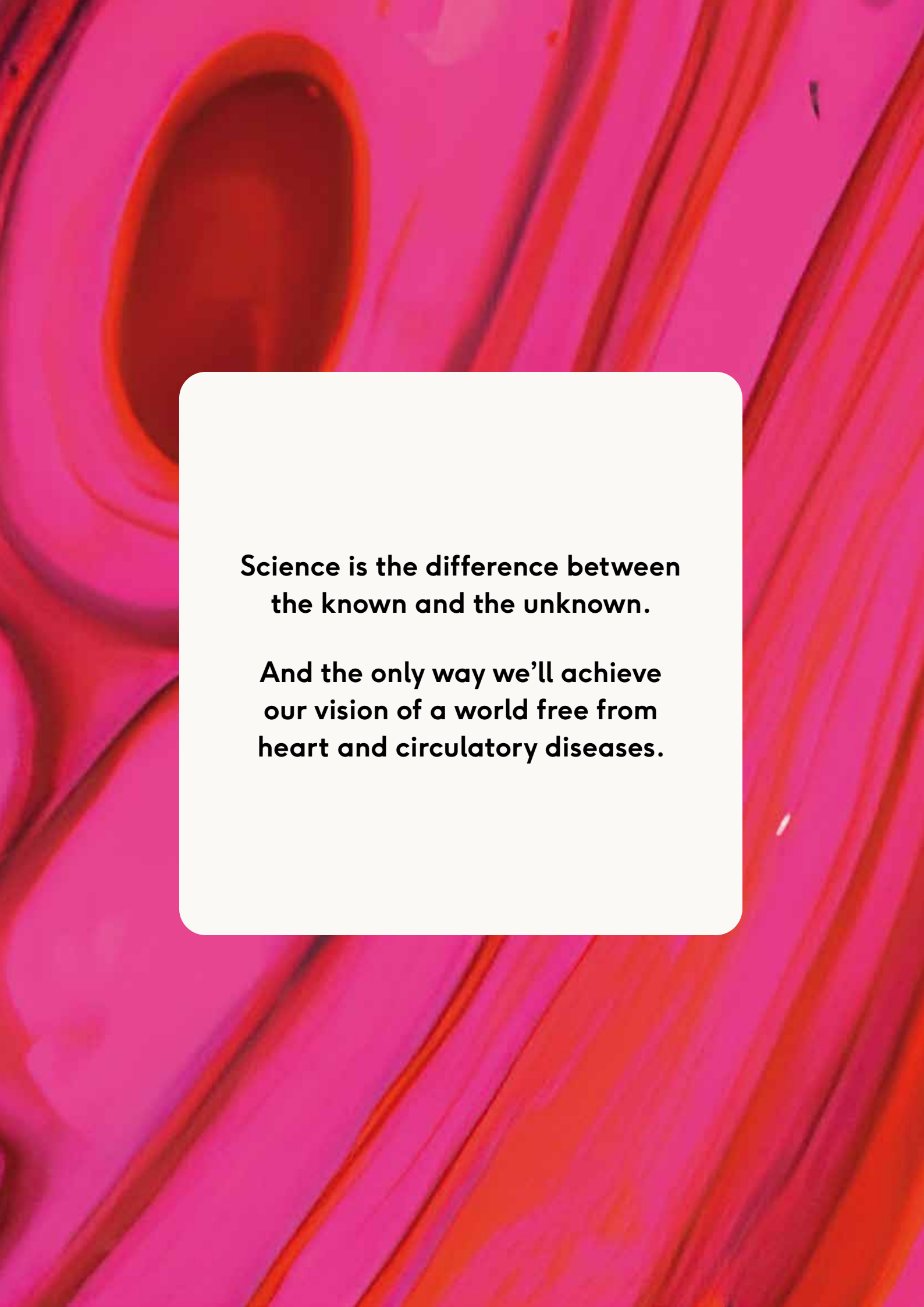
BRITISH HEART FOUNDATION

England & Wales - Charity number 225971

Accounts

British Heart Foundation

Annual Report and Accounts 2024



Science is the difference between the known and the unknown.

And the only way we'll achieve our vision of a world free from heart and circulatory diseases.

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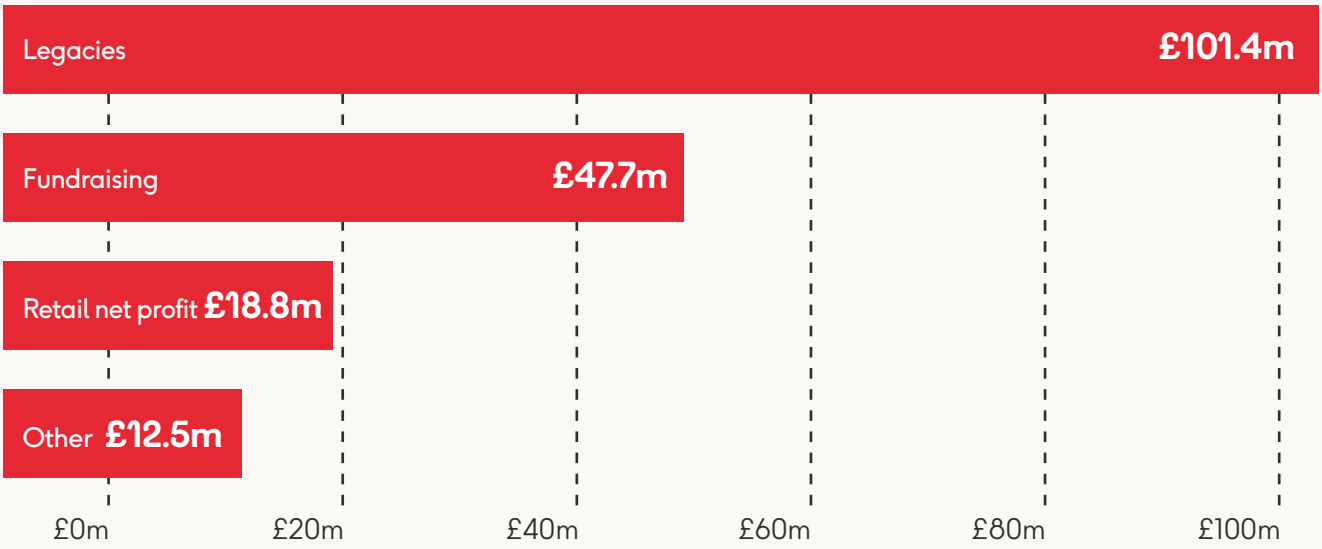
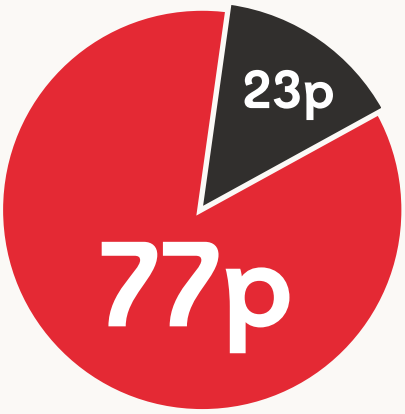
145 Legal and administrative details

Where our money came from in 2023-24

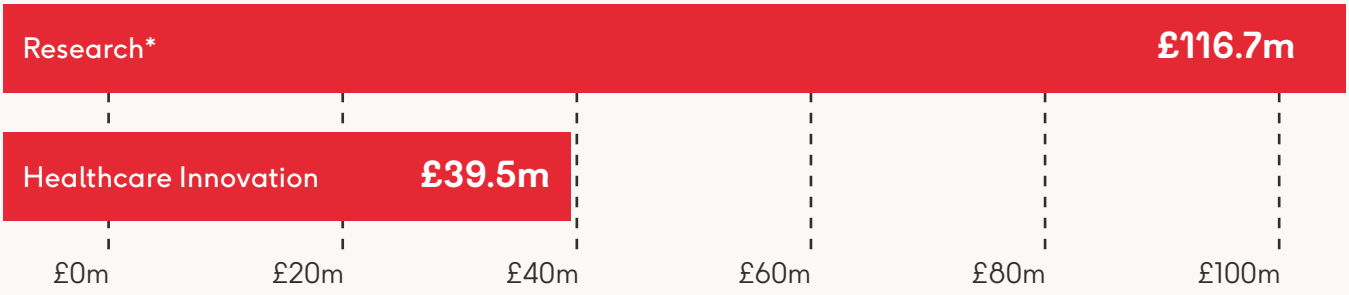


Investment in growing our income was £42.0m, meaning 77% of total income (net of retail costs) was available to beat heart and circulatory diseases. Our ongoing target is to ensure that at least 70p in the £1 is available to spend on our lifesaving work.



Of every £1 raised:
Available for **charitable purposes**
Invested to **generate further income**

How we delivered our mission in 2023-24



*£119.3m of research grant awards, less accounting adjustments and other costs. See page 94 for more information. See also our Financial Review on page 92 for more detail on all of the numbers above.

Funding world leading science

The British Heart Foundation is the UK's biggest non-commercial funder of cardiovascular research, with over £430m of BHF-funded research in progress.

£119.3m
Grants awarded

703
Active research grants

449
Principal investigators

298
Students currently supported

1,262
Research staff

49
Research institutions across the UK

Letter from our Chair

Karen Frank
Chair of Trustees

I am honoured to be Chair of the BHF and to have this opportunity to reflect on our remarkable organisation – an organisation that has a unique position in the research community. We are amongst the world's largest private funders of cardiovascular research, and BHF provides global impact that offers hope to millions, as well as practical support to many thousands of people every week.

BHF is able to garner widespread public support partly because of the tragic scale of heart disease, as the biggest cause of death. Part of what makes BHF so effective is the enduring support we receive from the donors, fundraisers, and volunteers, many of whom have been personally touched by heartbreak. Our hope is that, by funding groundbreaking research, the cycle of suffering can be broken.

Ambitious research projects like CureHeart, a once-in-a-generation search for a solution to inherited heart conditions, are possible thanks to our unique capabilities. I am excited about the numerous breakthroughs that we see on the horizon – breakthroughs enabled by advances in data science, AI and genetic testing. Our new Chief Scientific and Medical Officer, Bryan Williams, will help us drive these opportunities and accelerate the pace of change.

We know that the incredible support given to BHF comes with an immense responsibility to manage resources carefully through efficient organisation and considered management. We are very proud of the job that Charmaine and her team do of stewarding the organisation and creating the solid foundation we require to fund lifesaving research. This is reflected in our strong financial performance, which has outpaced expectations during the cost-of-living crisis. We are very grateful to our volunteers and shoppers, who make our retail operation such a success, and of course to our indefatigable fundraisers and donors who commit themselves to the mission of saving lives.

Progressing in our equity, diversity, and inclusion (EDI) strategy is another important commitment that shows our ongoing commitment to fairness. Recognising the impact of our organisation on the wider world is also vital, which is why I'm supportive of our new environmental, social and governance (ESG) strategy, and the steps already taken towards reducing our impact on our planet.

I would like to thank everyone in the BHF family, to all our generous donors, fundraisers and volunteers. With your support we are creating priceless hope for the people who need it most.

Letter from our CEO

These pages tell the story of a year defined by how our BHF community has risen to meet unprecedented challenge.

Heart and circulatory diseases remain the world's biggest killer, claiming the lives of one in four of us across the UK. And there is no doubt that the health and social care crisis that has followed the pandemic is taking a terrible toll across the four nations, taking lives and reversing progress that we simply must tackle now.

We are heartbroken to listen to those who've lost loved ones far too soon and those waiting desperately for treatment. It's for them that we use our voice to campaign for change. And whilst we wait, we will always be here for the millions of people who turn to us for trusted information and support.

In the face of financial pressures affecting households and organisations alike, raising funds for our lifesaving work remains tough. But thanks to the incredible generosity and efforts of our brilliant volunteers, supporters, colleagues, partners and Trustees, our ambitions for the future are growing - fast. In particular, I offer Wendy Becker my heartfelt thanks for her service as our Chair, and I am thrilled to welcome Karen as our next Chair of Trustees as BHF sets a course for the future.

It is an absolute privilege to welcome His Majesty King Charles III as our Royal Patron, which reflects our proud heritage over the past six decades, and a shared hope for the future.

As ever, this hope comes from the inspiring advances BHF researchers make as we back the brightest talent to tackle the toughest of problems, from sudden cardiac death to vascular dementia. Our researchers really are making science fiction a lifesaving reality. From our CureHeart programme offering hope of a cure to 30 million people with an inherited condition for the first time in history, to using data science and artificial intelligence to predict heart attacks before they even happen, we're proud to be backing transformational science that is changing the world.

As ever, none of this would be possible without the efforts of countless people across our brilliant and inspiring BHF community. I could not be prouder of the work we do together, every day, to save and improve lives. It has never been more needed.

Dr. Charmaine Griffiths
Chief Executive

Rising to unprecedented challenges in 2023-24

There is nothing more precious than our hearts. But millions of people's hearts in the UK are vulnerable and need our help. At the British Heart Foundation (BHF) we are on a mission to protect all our hearts, so no one has to live in fear of heart and circulatory diseases.

In 2023-24, this mission has been more important than ever. After decades of progress in saving lives, we're seeing increasing numbers of people die from heart and circulatory diseases before they reach their 75th birthday. Spiralling waiting lists for vital heart tests and treatments are putting lives at risk and creating untold anxiety for thousands of families. And the cost-of-living crisis has made raising funds for our lifesaving work as challenging as ever.

As a BHF team, we've risen to these challenges to provide a lifeline of support and hope to millions of families in need. We've funded bold new research initiatives that hold the promise for new treatments and cures. And we've taught thousands of people the skills to save a life.

This has only been possible thanks to our incredible BHF team of supporters, colleagues, and volunteers – all determined to see rapid progress in tackling the world's biggest killers.

Guided by our strategy to 2030

Our strategy to 2030 has guided us in making this impact. It sets out the changes we want to see in the world by 2030, and how our work will help us achieve them. It's focused on four strategic pillars and, as you will read in this report, we've made significant progress in all areas:

- we've awarded £119m in new research awards, including £7.5m to establish the UK's first Centre for Vascular Dementia Research, and £35m through the latest round of our Research Excellence awards
- we've doubled the number of cardiac nurses on our Heart Helpline to meet the unprecedented demand for our

information and support, and we've inspired more than 78,000 people to learn lifesaving CPR.

- in a difficult economic climate, we've invested more than £156m in our charitable work, made possible by the incredible dedication of our supporters, volunteers, partners and customers
- we've made the BHF a more supportive and inclusive workplace, and invested in our technological foundations to increase the impact and effectiveness of our work.

A defining year for the BHF

Although the challenges we face are grave, we look to the future from a position of strength and with a sense of optimism for what we can achieve. We stand on the cusp of revolutionary advances in areas such as artificial intelligence, genomics, and regenerative medicine. It's now up to us to inspire the support needed to capitalise on these groundbreaking areas of science to rapidly make the breakthroughs millions of people desperately need.

The year ahead will also see us review and refresh our organisational strategy, to ensure we're focusing on the things that will make the biggest impact for people affected by heart and circulatory diseases. We'll undertake this review in response to the significant changes to the world we're operating in – including changes accelerated by the Covid-19 pandemic, the significant pressures being faced by our NHS, and the rapidly evolving world of charity fundraising.

In the face of significant challenges, the BHF has been there for millions of families in urgent need of support and breakthroughs in 2023-24. But there is far more we need to do to achieve our vision of a world free from the fear of heart and circulatory diseases. We won't stop until we get there.

Welcoming our Royal Patron

We are delighted to welcome His Majesty the King as our Royal Patron, marking a significant milestone in our history.

His Majesty's appointment, succeeding his father, the late Duke of Edinburgh, Prince Philip, marks the continuation of a longstanding relationship between the BHF and the Royal Family.

The King's patronage will help shine a global spotlight on our shared belief in the power of medical research to save and improve lives from heart and circulatory diseases.

As we welcome His Majesty as our new Patron, we also pay tribute to the extraordinary contributions of Prince Philip, whose unwavering commitment as our Patron helped inspire invaluable support for our lifesaving work.

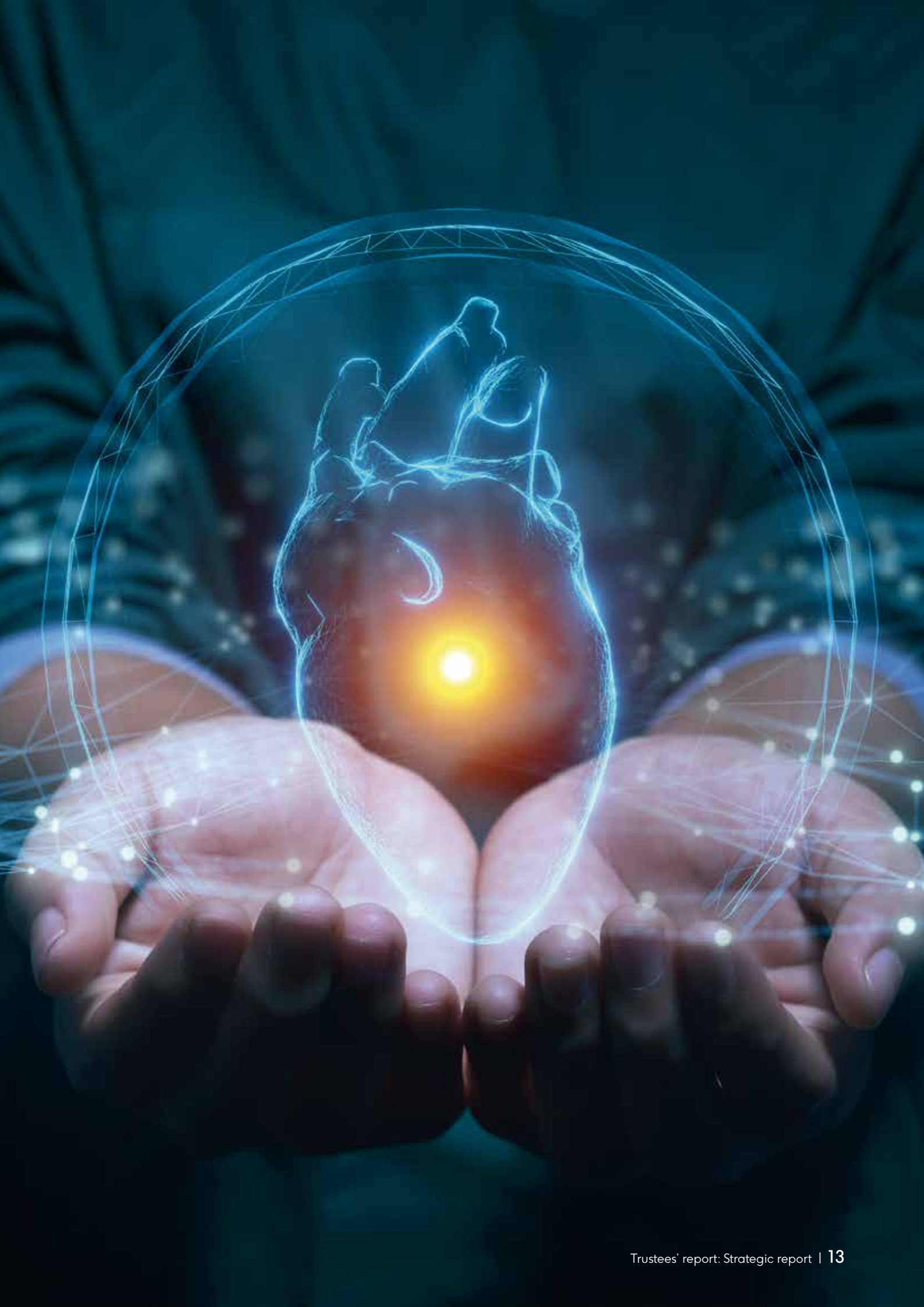
During his remarkable 60 years as our Royal Patron, Prince Philip helped to raise national awareness of the vital need to fund research into heart and circulatory diseases. He was a steadfast presence in supporting our growth as the nation's heart charity, and was a constant advocate for breakthroughs that have helped to save and improve countless lives since we were founded.

Lifesaving research

Life won't wait. We must accelerate the pace of lifesaving discoveries after years of delay and disruption. BHF-funded researchers are on the cusp of turning science fiction into reality.

We stand poised to unleash the power of AI and data science, and achieve revolutionary breakthroughs in areas such as regenerative medicine and genomics.

We continue to fund the most groundbreaking science. This year we committed £119m of new funding to research. These investments are key to translating science into new diagnostics, treatments and cures – and saving more lives.



Our 2023-24 priorities

We have continued to support the cardiovascular research ecosystem to recover from the devastating impact of the Covid-19 pandemic by funding more than 240 new research awards across 57 organisations. And we have launched groundbreaking strategic initiatives which hold the promise for rapid progress towards new treatments in areas such as heart failure and vascular dementia.

At the beginning of the year, we set out to make significant progress in the following areas:

Powering cardiovascular research

Helping the cardiovascular research ecosystem recover and grow

Advancing heart disease knowledge

Enhancing our knowledge of cardiovascular diseases

Translating research into impact

Seeing more BHF-funded research discoveries being translated into patient and public benefit

Powering cardiovascular research

Thanks to our incredible supporters, we've continued to be the UK's leading independent funder of cardiovascular research in 2023-24, supporting groundbreaking research in all areas of cardiovascular disease.

New leadership, bold ambitions

This year we welcomed Professor Bryan Williams OBE, as our first Chief Scientific and Medical Officer.

Professor Williams is recognised as one of the UK's most influential scientific and clinical leaders, having led one of the largest clinical research portfolios, with over 1,000 active clinical trials.

As our Chief Scientific and Medical Officer, Professor Williams will define our vision and funding strategy for cardiovascular research, enhance our scientific influence on the national and international stage, and ensure millions of people with heart and circulatory diseases get the vital care and support they need. He succeeds Professor Sir Nilesh Samani in leading our research strategy, after Professor Samani stepped down from his role as our Medical Director after seven years in post. We're immensely grateful to Professor Samani for leading the BHF to grow its position as the UK's leading independent funder of cardiovascular research.

Professor Bryan Williams OBE, BHF Chief Scientific and Medical Officer

Dr Michela Noseda

Research Excellence Awards

We have awarded nine universities funding to strengthen our world-leading cardiovascular disease research in the UK, through our Research Excellence and Accelerator Awards. The awards promise a £35m funding injection to encourage collaboration, inclusion and innovation, and enable visionary scientists to drive lifesaving breakthroughs. Funding will be provided over the next five years.

The nine universities have been awarded grants of between £1m and £5m each. Eight have received Research Excellence Awards. These are Imperial College London, King's College London, University of Cambridge, University of Edinburgh, University of Leicester, University of Manchester, University of Oxford and University College London. The University of Leeds was awarded an Accelerator Award to build research capacity, potentially paving the way for it to apply for a Research Excellence Award in future.

Improving diversity in research

By 2025, we want to have achieved greater inclusivity in the funding and the design of research, as well as in the cardiovascular research community. Over the past year we have focused on collating data that defines our starting point, so we can take the right action to improve diversity.

In July 2023 we published our first research funding diversity report. The report provided valuable insight that is helping us shape our future actions to address under-representation in our research community.

Furthermore, for all our research committees, we have implemented a process to consider bias awareness at the beginning of every meeting. We have also added diversity prompts and questions in our application forms for all grants that involve humans and animals. This change will help ensure findings produced by the research projects we fund will be of the highest quality and have a more considered gender split.

Advancing heart disease knowledge

In addition to funding the best ideas in cardiovascular science, we have developed and renewed strategic research initiatives that are harnessing revolutionary areas of science that have the potential to lead to major advances in how we understand, prevent and treat the world's biggest killers.

A pioneering partnership (BHF/DHF/DZHK)

Leading researchers in Germany, the Netherlands and the UK have joined forces to spur breakthroughs in the detection, diagnosis and treatment of heart and circulatory diseases. This is thanks to collaboration between BHF, the Dutch Heart Foundation (DHF) and the German Center for Cardiovascular Research (DZHK).

Together, we have awarded over €5.2m (approximately £4.7m) to four international teams. This is the fifth round of awards resulting from this partnership, and the second year that we have focused on supporting mid-career researchers in the three countries. Funded research projects include using placentas to understand cardiovascular disease risk, exploring the role of heart muscle fibres in hypertrophic cardiomyopathy, unlocking the potential of immune cells to combat atherosclerosis, and decoding dilated cardiomyopathy. Plans are already underway for a sixth round of funding in 2024-25, with the Lefoulon-Delalande Foundation in France joining the groundbreaking collaboration.

Uniting to tackle vascular dementia

In partnership with the UK Dementia Research Institute (UK DRI), work to establish the UK's first research centre dedicated to vascular dementia is underway. We plan to invest £7.5m over the next five years so the Centre for Vascular Dementia Research can drive pioneering research into new treatments and cures for this devastating condition. Vascular dementia is caused by poor blood flow to the brain, which starves nerve cells of oxygen and nutrients they need to live. This causes nerve cells in the affected areas of the brain to die, and symptoms include memory loss and difficulty concentrating, which worsen over time.

With generous donations from our supporters, the Centre will attract the brightest minds at the forefront of their field.

Professor David Attwell will lead the institute as Centre Director, bringing with him a wealth of expertise in neuroscience and physiology, and bold leadership and vision.

Dr Christopher Toepfer and Professor Hugh Watkins

CureHeart – progress towards a cure

Following the once-in-a-generation £30m grant we awarded to the Big Beat Challenge winner, CureHeart, researchers are already making progress towards the first treatments and cures for inherited heart diseases and genetic cardiomyopathies. Affecting an estimated 30 million people worldwide, these conditions significantly increase an individual's risk of heart failure and can devastate families through the sudden death of a loved one.

But now, advances in cutting edge technologies mean a cure for inherited heart muscle diseases is in sight.

Led by BHF Professor Hugh Watkins, the CureHeart team has already produced highly encouraging results, with early studies demonstrating the feasibility of gene editing approaches to prevent disease progression in laboratory studies. The international team is also exploring other avenues, such as gene silencing, to maximise the potential of cutting-edge genetic technologies and accelerate the discovery of much-needed treatments and cures.

Having successfully embedded the programme and built a strong scientific foundation, the team is now poised to accelerate their search for the most promising treatments and potential cures. Within a single generation, we have the incredible opportunity to relieve families of the worry, trauma and heartbreak caused by genetic cardiomyopathies.

Investing in data for stroke prevention

Stroke research has been boosted by a £0.5m investment in data-driven approaches to tackle the condition, which strikes one person every five minutes in the UK.

The initiative, known as the Stroke Data Science Catalyst, is a five-year partnership between BHF, the BHF Data Science Centre, HDR UK, and the Stroke Association. The Stroke Data Science Catalyst will enable research teams to generate insights using data from a range of real-world settings, including hospitals, general practices and pharmacies, to improve our understanding of stroke risk factors and open the door to better prevention and treatment.

Stroke occurs when the blood supply is cut off to areas of the brain. Risk factors for stroke overlap with those for heart conditions such as heart attack and angina, and include high blood pressure, cholesterol, and obesity.

Dr Meritxell Nus

Translating research into impact

The researchers we fund have continued to make discoveries that are shaping how cardiovascular diseases are prevented, diagnosed, and treated on a global scale. And our increased focus on translation is seeing us find new ways to help our researchers turn their discoveries into the treatments and cures of tomorrow.

Improving heart attack diagnosis

An algorithm developed using artificial intelligence could soon be used by doctors to diagnose heart attacks with better speed and accuracy than ever before, according to new research from the University of Edinburgh, funded by BHF and the National Institute for Health and Care Research.

Researchers found that the algorithm, known as CoDE-ACS, was able to rule out a heart attack in more than double the number of patients, with an accuracy of 99.6%. CoDE-ACS has the potential to make emergency care more efficient and effective, by rapidly identifying patients that are safe to go home, and by highlighting patients that require further tests.

Using virtual reality to improve surgery

Through a Translational Award made to Professor John Simpson at King's College London, our funding has enabled the development of new software which could make surgeries simpler and safer, potentially reducing the need for multiple surgical interventions. The new cardiac software harnesses the power of virtual reality to revolutionise the planning of intricate heart surgeries, including challenging surgeries in children with congenital heart disease. A new spinout company – XRnostics – financed by Guy's and St Thomas' Enterprise Ltd has been formed to take this forward.

Calling for equal heart care

Stark inequalities exist in the diagnosis and treatment of four of the UK's most common heart conditions.

Researchers, led by a team at the University of Leeds, have shown that women and older men do not receive the same treatment as younger men. After a heart attack or a diagnosis of heart failure, women and older men are less likely to receive the treatments recommended in clinical guidelines.

This picture reinforces the need to prioritise efforts to tackle heart disease and health inequalities.

A business bootcamp for researchers

We have joined forces with Panacea Innovation to launch CardioStars, a unique programme to equip researchers with the tools to transform research breakthroughs into innovations that deliver real-world benefits for heart patients around the world. The collaboration offers our funded researchers access to networking and mentorship opportunities, as they join a vibrant community of entrepreneurs, scientists, investors and service providers.

AI heart attack prevention

An AI tool to predict heart attack risk could save thousands of lives every year, according to new BHF-funded research.

Every year in the UK around 350,000 people have a cardiac CT scan, the standard test to identify narrowings or blockages in coronary arteries. In around three quarters of cases, there is no clear sign of significant problems, so patients are often discharged. Unfortunately, the scans often miss smaller narrowings - many of these people go on to have a heart attack.

This new AI tool can independently and accurately predict risk of cardiac events. The necessary technology has been commissioned by NHS England for a pilot programme in five NHS hospitals, and researchers are hopeful that it could soon be rolled out across the UK.

Future focus

Lifesaving research

Funding research to save and improve lives

Cutting-edge technologies – such as artificial intelligence, gene editing and regenerative medicine – hold the potential for rapid and transformational advances in how we prevent, treat and cure diseases. We will continue to fund world-class research to save and improve lives, focusing on:

Helping the cardiovascular research ecosystem recover and grow by:

- progressing our ambitions around equality, diversity and inclusion (EDI) in cardiovascular research, by driving forward our Women in Science programme and undertaking a comprehensive assessment of the CVD research workforce in the UK

Enhancing knowledge of cardiovascular diseases, through:

- implementing partnership initiatives to seize new opportunities and address unmet need, including the BHF-UK Dementia Research Institute Centre for Vascular Dementia Research and the BHF-MRC Centre of Research Excellence to turbo charge our investment in regenerative medicine
- a 60-year track-record of lifesaving breakthroughs and with our new Chief Scientific and Medical Officer in post, we will take the opportunity to invest in transformational science and innovation on a global scale, funding the world-class research that will save and improve lives.

Seeing more BHF-funded research discoveries being translated into patient and public benefit by:

- continuing to implement and refine our research translation strategy to increase the commercial exposure and translation of BHF-funded research towards patient benefit.

Professor Charalambos Antoniades

Health and care

Around 7.6 million people live with heart and circulatory diseases in the UK today. And they need us more than ever. Four years of pandemic disruption have exacerbated the pressures on health care systems, leaving too many people in crisis. We're on a mission to help the millions of families affected by heart and circulatory diseases and give every person the best hope of a long healthy life.

We continue to save lives by providing life-changing information and support, improving access to CPR and defibrillators, and by influencing government policy. Lasting change takes time, but we're committed to this cause.

Chris, who recovered from a heart attack with the support of BHF

Our 2023-24 priorities

At a time when our information and support is needed more than ever, we've doubled the number of nurses on our Heart Helpline and given a lifeline of support to countless families through our online and printed health information. We've also inspired thousands more people to learn the skills to save a life and made defibrillators accessible in the places they're needed most.

At the start of the year, we set out to make significant progress in the following areas:

Improving cardiac arrest survival

Increasing people's chances of surviving out-of-hospital cardiac arrest

Managing heart conditions

Helping more people to manage their cardiovascular condition

Improving the nation's heart health

Supporting people to reduce their risk of cardiovascular disease

Improving cardiac arrest survival

We've continued to pursue our goal of saving more lives from cardiac arrest by creating a nation of lifesavers trained in CPR and by making defibrillators available and accessible in the places they're needed most.

RevivR completions exceed 120,000

To date, nearly 124,000 people have now completed RevivR, our online CPR training programme, while more than 390,000 have engaged with it. This is up from 46,000 completions last year, and 175,000 engagements. The ground-breaking tool teaches people how to save a life by performing CPR and using a defibrillator for free in just 15 minutes. All users need is their phone and a cushion to practise on.

In addition to the public accessing the training individually through RevivR, we're grateful to the 500+ organisations and partners who have rolled RevivR out to their colleagues and customers. These include Royal Mail, Travelodge, Next, Screwfix, Nationwide, EY and Barclays. Together, we're creating a nation of lifesavers that could lead to more people surviving an out-of-hospital cardiac arrest in the years ahead.

A record-breaking Heart Month

For a second year, we used February's Heart Month to call on people to learn CPR with RevivR, with record numbers responding to our call. Our newest ambassadors, S Club, proved a smash hit when they helped students at Clapton Girls Academy in Hackney learn CPR. The iconic pop group have been supporting us since they tragically lost their bandmate Paul to an undiagnosed heart condition in April 2023.

We partnered with 14 high-profile gamers to have their Twitch streams 'flatlined' to mimic the sudden and unexpected impact of a cardiac arrest. This was followed by cardiac arrest statistics and information on how viewers could learn lifesaving CPR with RevivR. The award-winning campaign reached over 5 million impressions with more than 2 million from the Twitch homepage.

To close the month, we worked with Luton Town captain, Tom Lockyer, to share his story of suffering a cardiac arrest while playing in the Premier League in December 2023. Tom's media appearances led to 1,761 people learning CPR with RevivR – the highest number recorded on a single day. In February alone we set a new monthly record with more than 20,000 people learning CPR with RevivR, up from 11,000 during Heart Month 2023.

Heart month statistics

124,000

RevivR learners to date

x10

10-fold increase in visits to CPR pages

1,761

People learned CPR on 21 February

20,000

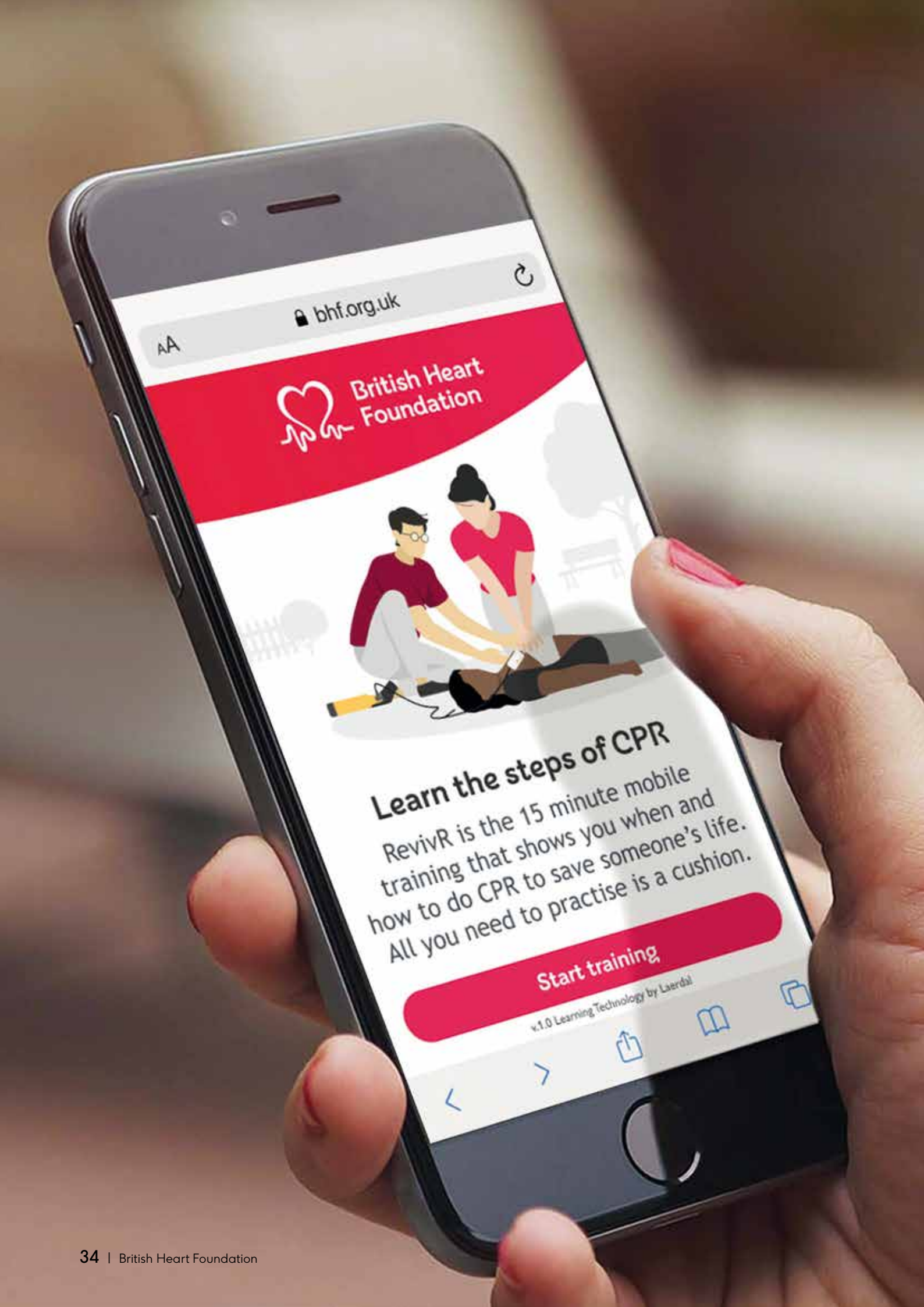
New monthly record of RevivR learners

£1m

Raised during Heart Month

+550

New schools registered for Classroom RevivR


bhf.org.uk
AA
British Heart Foundation
Learn the steps of CPR
RevivR is the 15 minute mobile training that shows you when and how to do CPR to save someone's life. All you need to practise is a cushion.
Start training
v.1.0 Learning Technology by Laerdal

RevivR in the classroom

With the support of Royal Mail, we launched Classroom RevivR in September. Building on our RevivR technology, we worked closely with schools to develop accredited training that meets curriculum guidelines in every nation of the UK. Classroom RevivR is now teaching pupils how to recognise a cardiac arrest, when to call the emergency services, how to give CPR, and how to use a defibrillator.

Launching the Community Defibrillator Fund

In November we were able to launch a free defibrillator scheme to save lives in communities across the UK. We urged communities to apply for a free lifesaving defibrillator from us and 141 of those awarded were funded as a result of Royal Mail employee fundraising.

Completing the Circuit

Working with Resuscitation Council UK, NHS England, St John Ambulance, the Association of Ambulance Chief Executives and all 14 NHS ambulance services, we've seen more than 26,000 defibrillators registered on The Circuit – the national defibrillator network. This brings the total up to 87,000, with a target of reaching 100,000 by the end of 2024. The Circuit was established to create a single database of UK defibrillators that would allow 999 call handlers to direct callers to their nearest defibrillator when they witness a cardiac arrest.

In support of our effort, the Daily Express launched the 'Complete the Circuit Crusade' to help us identify and register more defibrillators. It was launched with an article featuring BHF Ambassador and cardiac arrest survivor, David Ginola, and NHS Medical Director, Professor Sir Steven Powis, urging people to register their defibrillators ahead of the NHS's 75th birthday in July.

Despite incredible progress, we estimate that tens of thousands of defibrillators remain unregistered and therefore invisible to ambulance services in an emergency.

Managing heart conditions

In the face of record demand for our information and support, we've significantly grown our Heart Helpline team, run campaigns to promote the support we offer, and made our health information more accessible for everyone.

Royal Mail support makes Heart Helpline free

People with heart and circulatory diseases have needed our support and information more than ever before over the last year. We saw a 40 per cent surge in contacts between December 2023 and February 2024 compared to the same period last year, with the number of people getting in touch at an all-time high of 7,858 during these months. In total, we responded to more than 26,000 calls, emails and live chats in 2023-24.

In a year of significant pressures on the NHS, many people contacting the helpline raised concerns at not being able to get a diagnosis or an appointment for a heart problem or because they were worried about new or changing symptoms.

In response to this unprecedented demand, we've doubled the number of nurses working on our helpline over the last year. And, through our partnership with Royal Mail, we've made the line free to call for the first time, ensuring our information and support is made accessible to every person in need.

Chloe MacArthur, BHF Heart Helpline

Record breaking visits to our health information

Our health information provides a valuable resource for people with questions about their heart health, so making sure we're reaching as many people as we can with the information and guidance they need is a priority.

Health content pages on our website were viewed more than 32 million times this year (29% up on 2022-23). The final three months of the year alone saw 9.7 million pageviews, which is more than any three-month period at the height of the Covid-19 pandemic. We also distributed 1.6 million information booklets to individuals, hospitals, GP surgeries and other healthcare settings.

Eighty-five per cent of people engaging with our health content said it made them feel more confident about managing their heart condition, while almost three-quarters said they were likely to make a positive lifestyle change as a result.

Our Heart Matters magazine and email newsletter reached around 375,000 members in 2023-24, with our winter reader survey reporting 90% satisfaction with the product. We recruited 64,000 new members during the year.

We have also taken steps to make our health content more accessible, by introducing audio, Easy Read (designed for people with learning disabilities) and Braille versions. Information in different languages and animations with British Sign Language are planned for next year.

Supporting new innovations

We've continued to fund innovative approaches to improving cardiovascular care through our 'Innovation in Care' Fund. This has included a ground-breaking project with the NHS and The Chief Coroner for England and Wales, which is identifying families who may be at risk of deadly inherited heart conditions following the sudden death of a loved one. In a trial across seven regions, more than 500 people have been referred to Inherited Cardiac Condition Clinics following the post-mortem of a family member, meaning they can be assessed for an undiagnosed heart condition. Based on its success, work is underway to spread this approach to all senior coroners in England.

Improving the nation's heart health

Working with our partners, we've supported people to lower their risk of heart conditions including heart attack and stroke. And through our campaigning across the four nations, we've been a constant voice for heart patients, influencing change that helps to save and improve lives.

Promoting healthy hearts

Our strategic partnerships with some of the UK's biggest brands and organisations have helped thousands of people improve their heart health. As part of our 3-year partnership with PureGym, we launched the Healthy Hearts Programme in July 2023. Since launching, the programme has provided the opportunity for 75,000 PureGym app users to lead a heart healthy lifestyle through tiered workout programmes developed by PureGym's fitness experts, advice from BHF cardiac nurses plus a selection of heart healthy recipes from BHF dietitians.

Tesco continued to offer free blood pressure checks at their pharmacies, in addition to sharing delicious heart healthy recipes with customers. And to mark one year of our Royal Mail partnership and to encourage the public to learn CPR, Royal Mail applied a special postmark to stamped UK mail during February 2024.

BHF Chief Executive Dr Charmaine Griffiths gave evidence in Parliament to support the Tobacco and Vapes Bill

Hearts Need More

As the UK headed towards a General Election in 2024, we called on all political parties to put cardiovascular diseases at the centre of their health priorities. We launched Hearts Need More, a campaign calling for action to protect the public's heart health by addressing factors like obesity and smoking, prioritise NHS heart care to minimise waiting times, and supercharge research to unlock new treatments and cures. The campaign launched at a time when record numbers of people were waiting for vital heart tests and treatment. In March 2024, around 414,000 people were on the waiting list for care in England alone – up 78% since February 2020.

In June 2023, we published a troubling new analysis showing there had been nearly 100,000 excess deaths involving cardiovascular disease since the beginning of the pandemic in England. And in January, we published data that showed the number of people dying from heart and circulatory diseases before their 75th birthday was at its highest point in more than a decade. The issue was taken to the House of Commons in February 2024, with Conservative MP for Watford, Dean Russell, who suffered a heart attack in 2023, leading a debate on the rise in premature heart deaths in England.

With a new Government in place, we'll continue to call for heart disease to be prioritised, and use our voice to ensure there is a focus on better prevention, faster access to diagnosis and treatment, and a supercharging of research to help discover the next generation of cures.

Future focus

Health and care

Better health and care

People with heart disease need us more than ever as they're faced with the biggest heart care crisis in living memory. Our continued focus on ensuring people get the information, care and support they need will be accelerated by:

Increasing people's chances of surviving out-of-hospital cardiac arrest (OHCA) by:

- increasing the use of RevivR in schools and developing a community and youth group-based package, aiming to increase the number of people trained in CPR
- securing a long-term funding model for The Circuit to provide sustainability and momentum
- following on from a pilot in 2023-24, refining our fully-funded defibrillator programme that aims to place defibrillators in areas most in need to improve equity in access and give more people a better chance of surviving an OHCA.

Helping more people to manage their cardiovascular condition by:

- continuing to ensure BHF is meeting patient requirements when we are needed most – optimising our support offer, marketing our offer, and integrating BHF content into health systems and settings
- exploring how we can gather insights to inform our work from a wider range of people affected by heart and circulatory disease in a more sustainable and inclusive way.

Supporting people to reduce their risk of cardiovascular disease by:

- exploring BHF's aspirations and goals in preventing cardiovascular disease as part of a strategy review and refresh.

Heart Hero Krystella gave her husband Lee's lifesaving CPR so he could live to meet their daughter Martha

Support and income

The British Heart Foundation has never been more needed. This means that, in challenging times, the generosity of our supporters, customers, volunteers and partners is more vital than ever in powering the lifesaving breakthroughs millions of people need.

We're on a mission to inspire even greater support and income. We'll do this by telling stories that leave people in no doubt about the power of our lifesaving research, by inspiring greater support from those with a connection to our cause, and by evolving to a rapidly changing fundraising and retail environment.

1413
London
to Brighton
Off-Road Bike Ride

Our 2023-24 priorities

In the face of an ever changing and challenging fundraising environment, the dedication of our colleagues, volunteers, partners and supporters have generated an incredible £138m in net income to support our lifesaving research.

At the beginning of the year, we set out to make significant progress in the following areas:

Growing fundraising income

Generate more fundraising income, with an increased proportion from high-value audiences

Growing commercial income

Generate more income from our commercial operations, with an increased proportion from online retail

Improving supporter experience

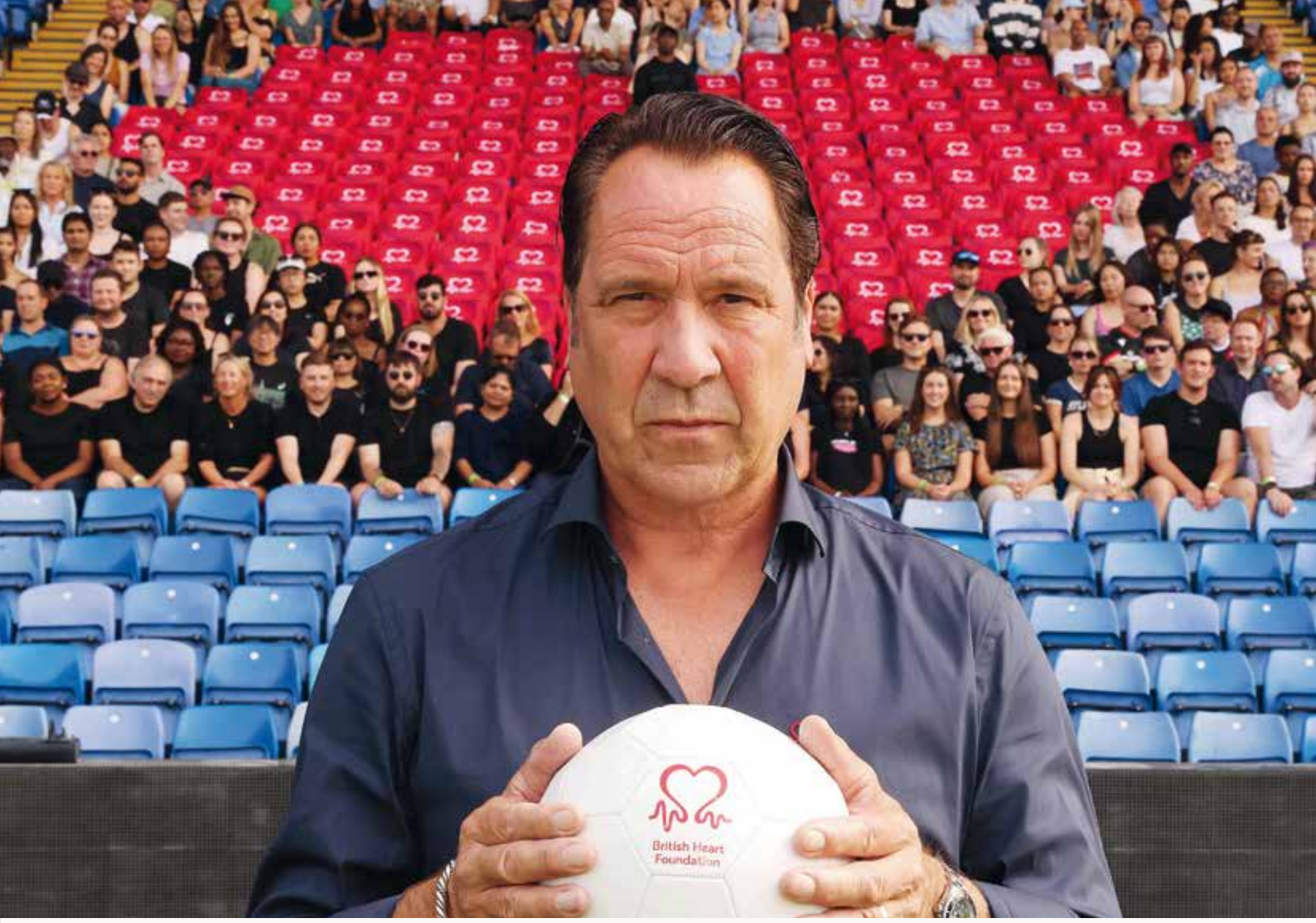
Ensure our supporters have an outstanding experience

Growing fundraising income

Our fundraising activities generated almost £150m in gross income, including £101.4m in legacies and £47.7m in other forms of fundraising. Once again, our lifesaving work has only been possible thanks to the incredible generosity and commitment of all those who fundraise and donate to us.

Building our brand and inspiring support

We've continued to build our brand in 2023-24, by making the BHF matter more to more people and showcasing the power of groundbreaking science to save and improve lives. In May 2023, we launched our second 'This is Science' campaign. The award-winning TV advert shined a spotlight on the preciousness of our hearts, highlighting that the only way



to protect them is through supporting the BHF's groundbreaking research. The campaign has helped the BHF continue to maintain 95% brand awareness, and seen the number of people who say they would consider donating to the BHF reach record levels.

In September, we enlisted the support of David Seaman and S Club to call on the nation to shine a spotlight on hidden heart diseases and raise funds for our vital work. In December, our Christmas campaign urged people to give a 'gift that keeps on living' by donating to BHF. And to mark February's Heart Month, we urged people to go red to raise funds for lifesaving research, raising more than £1m.

Legacy income exceeds £100m for only the second time

For only the second time in BHF history, our legacy income exceeded £100m in 2023/24, thanks to the generous gifts left by more than 2,500 people in their Will. Our nationwide campaign to inspire people to consider leaving a future gift in their Will has also proved extremely effective, with nearly 20,000 people requesting a BHF Free Will Guide, and record numbers of people utilising our Free Wills Service.

Thanks to the generosity of our supporters, the decade ahead has the potential to be truly transformational.

Philanthropic backing has powered lifesaving research, funded talented PhD students at the beginning of their cardiovascular journeys and ensured our information and support services can be there when families need us.

Breakthroughs are not guaranteed, yet it is thanks to the generosity of our philanthropic partners that we can continue to fund the very best research, from discovery through to translational and clinical science.

Together we have powered real change for people and their families across each of the four UK nations and beyond.

We would like to extend our warmest thanks to:

Mr Peter Ball

Mr Richard Burns

Copley May Foundation

Mr Andrew Cripps

Mr Paul Deakins

The Dow Clewer Foundation

Mr C Fidler

GeneSys Legacy Project

The Laerdal Foundation

Mr James and Mrs Margaret Lancaster

Mr Mitchel and Mrs Valerie Lenson

The Lidbury Family Trust

Ms Jill M. Marx

The Moondance Foundation

The Peacock Charitable Trust

The Rosenfeld Heart Foundation

Rosetrees Trust

The Shanta Foundation

ShareGift

Mr Andrew Spokes

Mr Lance J. Trevellyan

Mr Charles Wilson and
Dr Rowena Olegario

With special thanks to BHF Distinguished Fellows:

Dr Robert Easton

Dr Doug Gurr

Professor Sir Kent Woods

Mr Philip Yea

Celebrating our corporate partners

Our corporate partnerships have raised £5.3m for our lifesaving research in 2023-24, and helped us reach millions of people with vital heart health information and CPR training. We're grateful to all our partners for their contribution to powering our lifesaving work.

The Gemini Boat Race

We were delighted to be named as the Charity Partner for the Gemini Boat Race in 2024. The partnership follows the tragic death of former Chair of The Boat Race Company, Tim Senior, who died of a cardiac arrest in 2023. In addition to raising vital funds, we hope the partnership will save lives by raising awareness of the risk of cardiovascular disease and creating a lasting legacy by encouraging spectators to learn lifesaving CPR via our RevivR app.

The AJ Bell Great Run Series

In 2023, BHF was named as the official charity of the AJ Bell Great Run Series. The partnership will run for two years and the money raised will be invested in improving the heart health of the nation.

The Great Run Company motivates more than 250,000 people to take part in major events in the UK, raising millions of pounds for charity every year. As well as the Great North Run, the largest half marathon in the world, the AJ Bell Great Run Series portfolio includes five other events across the UK – from the Great Scottish Run in Glasgow to the Great South Run in Portsmouth.

We owe a huge thanks to the AJ Bell Futures Foundation too. The company's charitable arm donated £5 for every person trained in CPR (a total of £50,000) during Heart Month, and have provided funding for more than 200 defibrillators to be placed in communities across the UK.

PureGym

PureGym has raised over £1m for our lifesaving research into heart and circulatory diseases. So far, we have helped to set up a Recycle for Research initiative by installing donation boxes in their 380+ gyms which has raised £195,000. PureGym are committed to ensuring the best health outcomes for their members, and they now offer free in-gym blood pressure checks and have registered 190 defibrillators to the Circuit. Our partnership has also produced the Healthy Hearts Programme, a free health and fitness programme on the PureGym app which has helped over 75,000 people access support and information for their heart health.

Tesco

Tesco's unwavering support has now raised a staggering £29m for our health charity partnership with Cancer Research UK and Diabetes UK. Till round-ups, staff fundraising and customer donations – every pound raised supports groundbreaking research into the world's biggest killers. But it doesn't stop there. Tesco continued to offer free blood

BHF-funded Oxford rower Catherine King and her twin sister, Cambridge rower Gemma

RANGERS
CHARITY
FOUNDATION
NATIONAL CHARITY
PARTNER 2023/24
British Heart
Foundation
Scotland

pressure checks at their pharmacies, in addition to sharing delicious, affordable heart healthy recipe inspiration with customers. And, with nearly 3,000 lifesaving defibrillators in their stores, Tesco is helping to save lives in communities across the country.

PayPal Giving Fund

PayPal Giving Fund showed their support by partnering with us in Heart Month on a Give at Checkout feature. Throughout the month, PayPal's customers raised an incredible £48,000, which will continue to support lifesaving research.

SunLife

We were delighted to extend our partnership with SunLife for a further two years. The team at SunLife have really got behind our partnership with all employees now trained in CPR using RevivR.

Travelodge

Since the start of our partnership in 2017, Travelodge have raised an incredible £917,000. Through employee fundraising and customer donations through Pennies, the team have done it all, and are hoping to reach the incredible £1m milestone by the end of 2024. Committed to building a nation of lifesavers, Travelodge have also pledged to train an incredible 3,000 people in CPR in the year ahead.

Royal Mail

Since the partnership launched in 2023, colleagues have raised over £400,000 towards BHF's lifesaving work. Royal Mail have also made a commitment to support their people by sharing BHF resources on how to help reduce the risk of cardiovascular diseases. In January 2024 they launched their Heart Healthy dishes in restaurants with their catering partner, and have also committed to train their colleagues in CPR with RevivR.

Admiral Slots

Admiral Slots have been in partnership with BHF since August 2022. As well as raising over £250,000 to date, they have trained 1850 of their colleagues with RevivR and installed 39 defibrillators in new venues and areas of significant need.

Cardiff Airport

Cardiff Airport announced BHF Cymru as their Charity Partner for the Year for 2023-24 after an airport-wide vote. The airport has run a number of engagement events throughout this time, signposting holidaymakers to RevivR and displaying BHF Cymru on screens across the Departure Lounge.

Rangers Charity Foundation

The partnership kicked off in September with support from former Rangers player Graeme Souness, heart hero winner Scarlett Dougan, 12, and Craig Murray, whose son Chris passed away after a cardiac arrest aged 22. Funded by a £25,000 donation from the Rangers Charitable Foundation, the partnership has helped change attitudes and promoting a healthier lifestyle amongst communities throughout Glasgow. Together we were able to promote lifesaving CPR skills, deliver blood pressure checks, and raise awareness of heart and circulatory diseases.

Omaze

Congratulations to Omaze UK who won BHF Corporate Partner of the Year at the 2023 Heart Hero Awards. The award recognises the Omaze UK community, which exceeded all expectations by raising a phenomenal £3 million for BHF to date

Fundraising events

In challenging times, nearly 20,000 people raised almost £6m by taking on walks, runs, cycles and swims for our groundbreaking research. We're always amazed at the lengths our supporters go to, to power our lifesaving work.

Team BHF take on the London Marathon

Over 5,000 people pounded the streets in running events across the UK to raise £3.2m. Fresh off the back of our 2022 Charity of the Year partnership, the TCS London Marathon raised an amazing £1.6m with our highest fundraiser raising over £15,000. Our Team BHF runners were supported along the 26.2 mile course by an army of over 200 volunteers who travelled from across the country to cheer them on and help get them across the famous finish line along The Mall.

Bournemouth Pier to Pier Swim raises £200,000

The unique Bournemouth Pier to Pier Swim returned to our events calendar. This 'must do' event for any open water swimmer, and those just looking for a different type of challenge, was extra testing this year as the Great British weather made the water far choppier than normal. However, every swimmer rose to the challenge and emerged from the water with a smile on their face, ready to receive their well-deserved medal. And with nearly £200,000 raised – it really was well deserved.

Sarah Foreland swam in memory of her father-in-law who suffered a cardiac arrest on her wedding day and sadly died two days later. Sarah said: "We'd planned on taking part in the event before the pandemic. We never got to do it together, but I wanted to honour him by doing it this year in his name."

Flagship fundraising at London to Brighton

Our flagship London to Brighton Bike Ride was once again the cycling event of choice for over 7,000 riders wanting to take on the iconic route whilst enjoying the amazing atmosphere. A combined 391,000 miles were cycled by our participants, who raised an amazing £1.6 million. We're proud that our world-renowned event also supported the wider charity sector. In 2023, cyclists from 21 other charities took on the challenge and raised money for their worthwhile causes.

We're extremely grateful to all Team BHF participants, and we're looking forward to another packed calendar of events in 2024-25.

HUUB
3:5
ZONE3
ZONE3

Celebrating our fundraisers

Record numbers of people took on fundraising challenges, raising £3.2m while our incredible fundraising groups and branches have generated more than £800,000.

Driving for donations

In June 2023, CP Hire raised £17,000 at their Norman Hutchinson Memorial Golf Day at Castlerock Golf Club. David and Andrew Hutchinson, brothers and Managing Directors of the local business, have been holding the bi-annual golf day in memory of their late father 'Big' Norman since 2019. Their father lived with a heart condition and David explained, "Our family knows only too well the impact of heart conditions. We wanted the money raised to go to a local and research-based charity. It's good that BHF Northern Ireland isn't just about the treatment but that it is trying to find a cure for heart diseases too."

40 London to Brighton Bike Rides

BHF fundraiser Philip Courtenay-Luck, from Buckinghamshire, took part in his 40th consecutive London to Brighton Bike Ride (L2B) in 2023. Over 40 years, he has raised over £130,000 for BHF's lifesaving research.

Elliot Awin

Alex Roth

100 miles through the 'snow'

In January 2022, Alex Roth suffered a heart attack. Previously fit, well and an active sportsman, subsequent examination revealed that he had a heart defect that could reduce his lifespan by 10-15 years.

In May 2022, Alex had open-heart surgery, and since then has been in cardiac rehabilitation. In May 2023, just one year after surgery, Alex trekked an incredible 108 miles through Eryri (Snowdonia) over five days in support of the British Heart Foundation, raising over £65,000!

An 'oar-some' Antarctic challenge

Jamie Douglas-Hamilton was diagnosed with a hereditary heart condition in 2022. In January 2023, just five months after undergoing surgery, Jamie completed an audacious rowing expedition across the Antarctic Scotia Sea to raise over £53,000, and breaking a number of Guinness World Records in the process.

Making pace across the Atlantic

Elliot Awin became the first person with a pacemaker to complete The World's Toughest Row – a 3,000 mile challenge across the Atlantic – to raise money for BHF.

In memory of Kate

Kate Dewsnap was only 39 when she died suddenly of a cardiac arrest in 2021 leaving her family and friends devastated. Since then her mum, Mags, has volunteered, fundraised, and raised awareness for BHF. And Kate's former employer chose BHF as their charity in memory of Kate, raising over £11,000.

Backwards Walking Ben

Ben Stewart, known as Backwards Walking Ben, has become the first person to walk backwards up Mount Kilimanjaro and back. He took on the challenge to raise money for BHF in memory of his grandfather Ian who died after having a heart attack. His training for the trek had included using a special device to help strengthen his neck for long periods of needing to look over his shoulder.

Ultramarathon in Newport

In June 2023, James Barrington from Newport ran a 60km ultramarathon on what would have been his mother's 60th birthday. James' mother Cheryl passed away after a heart attack on New Year's Day 2021. The challenge raised £3,400 for BHF Cymru after initially aiming to raise £600.

Gordon's walk

Rachel Smith has been supporting BHF since her brother Gordon died of a heart attack in 2019. Gordon's Walk was started when a group of Gordon's family, friends

Jamie Douglas-Hamilton

Ben and Oscar

and colleagues climbed Pen y Fan, to celebrate his life and to promote physical and mental health and wellbeing, particularly in the face of bereavement. It has now become an annual event.

Sadly, in 2022, Gordon's partner Dave also passed away due to heart related issues. Knowing that Dave wanted a local walk for the 5th edition of Gordon's Walk, their family and friends walked a section of the coastal path from Borth to Aberystwyth. Rachel and her friends and family have now raised over £21,000 for the BHF in memory of Gordon and Dave.

Treadmill ultra

Police officer Joe Roy brought Glasgow Central Station to a standstill when he walked a 50-mile ultra marathon on a treadmill, wearing a 20kg weighted vest, in memory of his friend and colleague PC Stuart Gray, who died from a heart condition.

Joe, who previously served with the Adjutant Generals Corps and was attached to The King's Own Scottish Borderers, raised more than £13,000 and is already planning another event for BHF in 2025.

Ben and Oscar

At the age of just 10 and 6, Ben and Oscar and their family walked 20km over the Peak District hills to raise money for BHF. They both lost very special grandparents to sudden heart attacks and wanted to raise as much money as possible, and ended up raising over £1,500. Thank you Ben and Oscar.

Growing commercial income

Our operation has maintained its position as the UK's premier charity retailer and the world's leading eBay charity retailer, achieving record sales levels in the year. This reflected the incredible contribution of our donors, shoppers and team members across the four nations.

Breaking records and fresh starts

Our retail performance reflects another successful year of growth across our Clothing and Home formats, with total sales up 5% on the prior year. This performance continues to be driven by our combination of choice, value and sustainability delivered in community locations, which is increasingly attractive to our customers and supporters.

Stock donations drive the breadth and quality of our retail offer, such that we are so grateful for the generosity of so many individuals and corporate supporters. In addition, running our shops is dependent on the time given by our 18,000 wonderful volunteers, who represent an increasingly diverse and vibrant community.

Our online offer, which includes sales of donated stock via eBay, as well as a growing contribution from a range of heart health products such as defibrillators, blood pressure monitors and portable ECG devices, remains a key area of focus and growth. Overall, we achieved a 9% growth in online sales to a record £14.8m for the year.

Despite the growth in sales and the benefit of an additional week's trading, overall the net profit from retail trading was £18.8m, down from £24.9m in the prior year. This decline reflected the challenging economic conditions experienced during the second half of the year, as inflationary pressures and high interest rates adversely affected consumer confidence.

We experienced significant increases in our key cost areas, particularly pay and energy, and also commenced a multi-million pound investment programme in upgrading and expanding the store estate to position us for the future.

This investment is focused on improving operational efficiency and working environments for our teams. It includes enhancements to our technology, as well as an ongoing programme of shop refurbishment, complemented by new store openings and new retail formats.

Join our Reuse
Revolution
Shop and donate preloved
bhf.org.uk/shop
WILD
FLOWERS

Beat heartbreak forever

Retail innovation and investment

This year we accelerated our new store opening programme. We opened 15 new locations, including six re-sites, in Bexleyheath, East Grinstead, Hempstead Valley, Leeds Colton, Plymouth, Cambridge, Dalston, Ashton Under Lyne, Wakefield, Bulwell, Eastbourne, Cameron Toll, Coventry, Romford, and Feltham.

Our extensive store refurbishment programme also continues to improve the retail experience for customers and the working environment for our colleagues.

All these shops have benefited from our new Store of the Future design, which focuses on improved sustainability and will continue to be refined as we move forward.

Growing online revenue

BHF is now the world's leading charity eBay seller and by the end of 2023-24, had sold an extraordinary two million items since joining the platform. Our teams are now listing more than 20,000 items every week, with some of the largest sales including a diamond engagement ring sold for over £5,000, a Wurlitzer jukebox for over £4,000, and a sauna for nearly £4,000.

Sales of new goods through our online shop grew by 13% in the year, driven by strong sales of defibrillators, blood pressure monitors, and the successful introduction of ECG monitors.

A spotlight on volunteering

A spotlight on volunteering

We do all we can to make volunteering with us easy, flexible and inclusive for everyone – whether our volunteers have an hour to donate occasionally through our Action Team offer, are regular volunteers through our retail network or fundraising groups, or join us through corporate volunteering days, we have volunteer opportunities to suit everyone.

Our latest volunteer survey (3,317 respondents in February 2024) has given us rich feedback and insight. 95% of our volunteers recommend volunteering at BHF, and 95% report being treated fairly at BHF. 93% say volunteering is easy and fits around their lifestyle. We have seen a boom in younger volunteers since the pandemic ended – in 2023-24, 53% of our new volunteers are aged 16-24.

We have around 18,000 volunteers across our shops and stores, and supporting roles from home, and over half of our new retail volunteer recruits this year are Gen Z.

Anaba's story

Anaba, 17, volunteers in Cardiff for BHF. She is studying for her A Levels. For Anaba, volunteering makes her feel part of a community helping to raise funds for heart research.

Retail ambassadors

This year we were pleased to welcome our first retail ambassadors.

Kimberly Hart-Simpson, Coronation Street star and entrepreneur, is a long-time BHF supporter, volunteer, and a champion of preloved clothing. Kimberly's sister Emma was diagnosed with dilated cardiomyopathy in 2017, a chronic heart condition which affects the size, shape and thickness of the heart.

Dr Brett Staniland rose to fame in 2021 when he appeared on hit dating show Love Island and was the first contestant in the show's history to decline free clothes from the fast fashion sponsor, instead opting to wear his own wardrobe.

With a PhD in public health, and a career focused on cardiovascular disease and lifestyle related risk factors, Brett champions sustainable fashion and a more responsible and ethical industry.

Improving supporter experience

Our latest Customer Satisfaction survey was completed in January 2024 by 2,969 customers.

Consistent with previous surveys, the highest proportion of customers were retail at 72%. In this latest wave there were a higher proportion of health customers, looking to us for information and support, than in previous waves 43% (versus 33% previously) and all responded more positively.

Overall satisfaction improved to 90% which is significantly higher than the national average of 76% (as reported by the Institute of Customer Service in January 2024).

Our customers highlighted a broad range of areas where they were very satisfied with our service:

- **furniture collections** – compliments about the ease of booking, efficiency, and speed of collections
- **shops and stores** – references to pleasant, cheerful, and professional staff as well as welcoming shop assistants
- **health content** – compliments about insightful information on conditions and helpful items such as exercise
- **customer service** – compliments about great responsive, pleasant, and timely service.

We continue to work on improvements to our furniture collection and delivery service. In relation to collection bookings, we have also revised our processes to reduce the number of refusals and, for situations where we do have to decline the donation, we have a created a 'Thank you for thinking of us' letter which drivers can hand to donors and includes information in respect of recycling alternatives.

British Heart Foundation
Free & fast
collectio
your unwanted items.

Future focus

Support and income

Growing support and income

By being clear on where we lead, where we partner, and what we don't do, we can make an even bigger impact for people living with heart and circulatory diseases. We will continue to focus our attention on raising awareness of our mission and raising funds to power our lifesaving science by:

Generating more fundraising income, including an increased proportion from high value audiences:

- continuing our 'This is Science' brand activity, including in the devolved nations
- introducing content to help people better understand our cause and our urgent need for support
- drive incremental philanthropic income, by developing a clearer articulation of our strategic research objectives.

Generating more income from our commercial operations, with an increased proportion from online retail by:

- continuing to roll out our shop and store opening programme and refresh of the estate, and enhancing our technology in our shops and stores to improve the customer experience and increase income
- driving online growth across our own online shop and third-party platforms (e.g. eBay) including improvements to the customer experience (payments, stock journey) and to the underlying operations
- continuing the rollout of MyVan – our integrated customer-facing logistics solution focused on stock delivery and collection
- continuing to grow our commercial footprint through Corporate Defibrillator and Health at Work partnerships.

Ensuring our supporters have an outstanding experience by:

- transforming our communications for retained customers to improve lifetime customer value, by telling our brand story and using 'Reasons to Believe' to demonstrate our impact
- delivering our website transformation programme – improving the user experience and serving appropriate donate/sign-up calls to action across relevant pages and journeys.

London
to Brighton
Bike Ride 2022
3579

Striving for excellence

At BHF we are committed to improving hearts and saving lives. We are determined to fund research for cures and treatments in a responsible way, making a positive impact on people and the planet. This includes improving how we care for our colleagues and our communities, how we fund research, and how we manage resources.

British Heart
Foundation
STAFF

Our 2023-24 priorities

As a BHF team, we've risen to significant challenges, to provide a lifeline of support and hope to millions of families in need. Together, we're determined to be part of a better world – and that starts with a better BHF.

At the beginning of the year, we set out to make significant progress in three key areas:

For our colleagues

Deliver an outstanding people experience

Digital direction

Accelerate our digital and technology transformation

Sustainable future

Continue to increase our social, environmental and financial sustainability

For our colleagues

Improving our people experience

Our equality, diversity and inclusion (EDI) strategy, Igniting Change, recognises that everyone's circumstances are unique, and we're proud to announce positive changes to leave entitlements for all BHF colleagues.

Everyone taking paternity, partner or shared parental leave will now get 12 weeks' paid time off, matching our maternity and adoption leave offering to recognise the equal role of parents and carers and BHF's commitment to treat everyone fairly.

We are also introducing a new holistic and flexible support leave option to provide extra paid time off for our people in times of uncertainty, or when they may need to take more time away from work for themselves or others close to them.

Colleague-led initiatives such as sharing demographic data to help inform future EDI planning, podcast series To Affinity and Belong, and additional colleague affinity groups and sub-groups, all contribute to an inclusive workplace.

Colleagues have supported the introduction of a diverse range of greetings cards in BHF shops and stores for celebrations such as Eid and have championed the introduction of pronoun badges and pronouns on e-signatures.

Events have been held to support the feeling of belonging, such as several PRIDE activities, the celebration of Black History Month, and 'a fortnight of learning' led by our anti-racism affinity group. We have also started creating Easy Read versions of our key documents, such as our Safeguarding policy.

The latest colleague engagement survey took place in January 2024. Encouragingly our highest scoring areas were goal setting, fair treatment, responding appropriately to instances of discrimination and that BHF has created an environment where people of diverse backgrounds can succeed. By January 2025, we want this to be 90% and this year we are tracking in the right direction scoring 86%.

As part of our drive for inclusivity, all our job adverts promote BHF's approach to flexible working from day one. A better flexible working offer means we can attract talent from a wider pool, which could be a key factor in reducing the gender pay gap. Our gender pay gap is still less than 1%, standing at 0.7% in favour of men, and our ethnicity pay gap is 7.4% in favour of ethnic minority groups. This is because, while colleagues from ethnic minority backgrounds make up 11% of BHF's overall workforce, they account for 14% of colleagues in our upper pay quartile.

Fair for all

Making the world a fairer place is an important goal, one that we are proud to contribute to by tackling inequalities in cardiovascular health, improving the diversity of our research workforce, and making BHF a more inclusive place to work.

In the year since we published Igniting Change, our first equality, diversity and inclusion (EDI) strategy, we've taken important steps to achieve our 2025 goals.

Research

Diversity of BHF research funding committees, advisors, and reviewers

We have collated and analysed data on the diversity of our research funding committee members for the last three years and will expand this to include our reviewers.

We are developing a process for people to put themselves forward as peer reviewers or to volunteer as committee members to help ensure equal representation and we will implement this in the second year of the programme. Our Clinical Studies Committee, initially all male, is now gender balanced.

Professor Vijay Kunadian

Diversity and inclusion in BHF-funded workforce

We have made similar progress with looking at the BHF-funded research workforce. Diversity of lead applicants and award holders for the last three years has been collated and reviewed. We have also made changes to our small meetings grant fund, so that we can help under-represented groups to network and develop their careers.

Cardiovascular health

Understanding health inequalities

We launched the England Health Inequalities Hub and associated report, which is focused on equipping policy makers and health professionals with the data they need to target inequalities across the cardiovascular pathway.

Over time we will incorporate data from Scotland, Wales and Northern Ireland to provide a UK-level view of inequalities. Once this data is in place, we will be in a better position to develop long-term strategies to reduce cardiovascular inequalities across all four nations.

Raising our profile and influencing change

Our funding and support for expert organisations like the Obesity Heath Alliance (OHA) and Action on Smoking and Health (ASH) shows how we can galvanise action against the biggest lifestyle factors in cardiovascular health inequality – smoking and diet.

We released a series of BHF reports highlighting the impact of the Covid-19 pandemic on cardiovascular care and prevention, and how it has disproportionately hit deprived and minority communities.

The Secretary of State for Health has acknowledged that cardiovascular disease must be prioritised if we are to improve overall population health and reduce inequalities.

Transforming our technology

We've continued to invest in technology transformation in 2023-24, with the aim of helping us work more collaboratively, securely, and quickly. This investment is vital in setting the foundations for our future growth in a rapidly changing world.

Creating a data led organisation

We launched our BHF Data Strategy with the goal of improving how we use, share and work with our data. The strategy has paved the way for the initiation of one of the BHF's most ambitious programmes to date, Enterprise Foundations. This programme, involving all areas of the BHF, aims to update our core enterprise technologies across Finance, Customer Relationship Management and Retail in order to connect our enterprise data together and drive insight-led operations across the BHF.

Cyber-secure

We are making rapid progress toward achieving our Cyber Essentials PLUS accreditation, enhancing both security and compliance. Additionally, we have successfully developed and closely monitor new customer payment concepts through the Customer Payment Alignment Programme Forum, driving revenue growth. We have also implemented waste reduction strategies and process improvements to enhance our privacy management and to comply with data protection regulations. Ensuring sustained support for our platforms, we've made strategic infrastructure changes to enhance both sustainability and security.

Embracing the opportunities of AI

In January 2024, we launched an Artificial Intelligence (AI) strategy, with the vision of using AI to enhance BHF's work, improve customer experiences, empower everyone and create new opportunities. To start to make this vision a reality, we have set-up an AI community to foster open dialogue and collaboration around AI, held a two-day hackathon with Microsoft and PWC to identify use cases, launched an AI working group, developed a roadmap to implement the ambitions of the AI strategy, and partnered with Microsoft to trial M365 Copilot across the organisation. These activities have put us in a sector leading position in the trial and adoption of AI. As a result, we've shared the lessons we're learning at events, joined podcasts (Third Sector and Virtue), and presented at conferences, such as the Microsoft Global Nonprofit Leaders' Summit.

Sustainable future

We've continued our journey to become a more socially, environmentally and financially sustainable organisation.

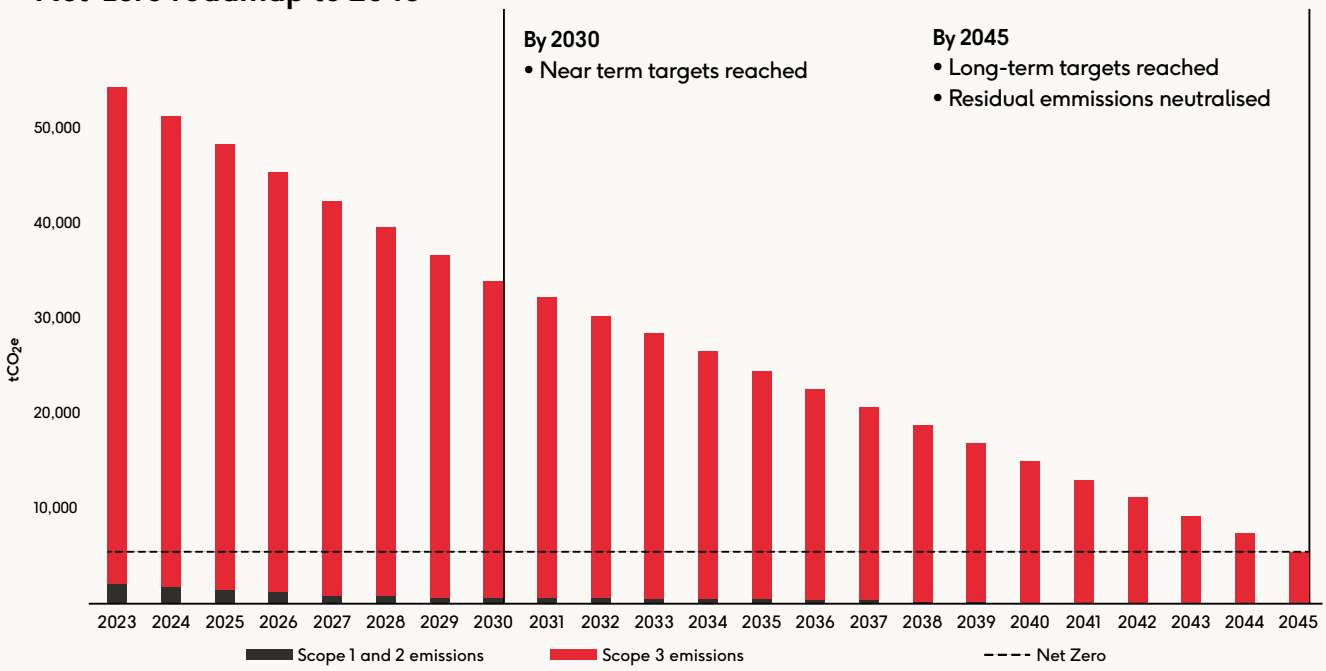
Links between environmental factors and cardiovascular disease are clear. Research shows that extreme weather, such as intense heat and cold, have negative impacts on people living with heart and circulatory diseases.

We see it as a key part of our core purpose – to make sure that we carry out our lifesaving work in a responsible way.

Our progress this year has included setting our commitment to be a net zero organisation by 2045, at the latest. This covers all areas of our activities, from direct (Scope 1 and 2) emissions, such as the heating we use in our BHF offices and stores, to the much more significant indirect (Scope 3) emissions generated from within our supply chain through to how the research we fund is undertaken. As a part of this roadmap, we are committing to a short-term target of a 50% reduction in Scope 1 and 2 emissions and a 30% reduction in Scope 3 emissions by 2030.

Alongside work we are already doing to maximise our social impact through our 'Igniting Change' strategy (see page 79), these commitments form an ambitious roadmap to be an ever more responsible organisation to our planet and our people.

Net-zero roadmap to 2045



Responsible operations

This year we have focused our work on mapping BHF's full carbon footprint. This gives us a detailed view of where and how we can make the most impact to reduce our impact.

We worked closely with Bioregional – a purpose-led sustainability consultancy – to make sure our targets are ambitious, and developed in line with international standards such as the Science Based Targets Initiative and Greenhouse Gas Protocol. Our roadmap to net zero has six key areas for initial focus:

Energy efficient and zero emission buildings
Decarbonising and improving the energy efficiency of the buildings we own and manage, including our offices and stores.

Zero emissions transport
Electrifying our fleet and supporting the decarbonisation of our third-party transport.

Product sourcing and suppliers
Reducing the cradle-to-grave impact of the new goods we sell and supporting our suppliers' decarbonisation efforts.

Travel and logistics
Reducing our travel impacts, from the movement of our staff to the third-party transport in our supply chain.

Waste and circular economy
Using resources more efficiently, prioritising the reuse, repair and repurposing of our new and donated goods, product packaging and goods not for resale.

Research funding
Understanding and reducing the environmental impact of the research we fund.

But we have already made improvements to our operational sustainability. Progress in our Streamlined Energy and Carbon Reporting measures, as set out on page 98, included a further 6% reduction in energy consumption and an 8% decrease in greenhouse gas emissions in the last year. In addition, our company car fleet is now 39% fully electric, with the remainder hybrid. We also have our first two electric vans on the road as part of a pilot scheme which we hope to build on in the next year.

Reducing avoidable waste is a cornerstone of our drive for operational sustainability, re-using and recycling what we can. We also achieved the milestone this year of removing all single use non-biodegradable plastic carrier bags from our retail network.

Talks with traders, community groups, waste managers and environmental activists in Kenya and Ghana – where a proportion of clothing donated to BHF ends up – have given us a better understanding of the used clothing value chain, and its social and environmental benefits.

Responsible partnerships

We are committed to working closely with others in the sector on sustainability. The benefit of cross-sector collaboration to share learning and work more efficiently together is key to our ambitions. We also have rigorous governance requirements to make sure our partners and suppliers share our commitment to work to a high ethical standard.

BHF remains committed to continue to invest our funds responsibly and in alignment with our charitable mission and values. We are currently exploring options to ensure that our portfolio reflects our roadmap to net zero and other commitments to work responsibly. While our portfolio already includes a formal exclusion on tobacco, we anticipate that this work will bring further nuance to our investment approach.

Responsible research

We are continuing to work with the research sector to understand how we can raise awareness of environmental sustainability in research. This includes partnership with other funding bodies and research institutions to develop sector wide standards for best practice and tools for the measurement of the environmental impact of research.

Future focus

Striving for excellence

Striving for excellence

We strive to be bolder, braver, and have a single-minded focus on what will make the biggest difference for families affected by heart and circulatory diseases. By working together, we can inspire support, accelerate breakthroughs and save more lives than ever before, with focus on these key areas to drive our performance:

- agree the skills, capabilities and talent BHF needs to thrive in the future (through our Future FIT programme)
- embed a 'Continuous Improvement' mindset throughout the organisation, applying simple but effective methods to solve problems and take small, incremental steps to transform how we work
- advance our work on creating a holistic employee value proposition, by optimising our benefits, rewards, working arrangements, learning and career opportunities
- embedding further our vision for an easier, more inclusive experience for all our colleagues and volunteers; through our wellbeing offer, progressing our EDI strategy, and ensuring the BHF is a safe workplace for all
- progressing the Enterprise Foundations multi-year programme to design and implement effective and resilient core technology and data infrastructure
- strengthening our ability to protect, detect, manage and monitor information security threats
- growing awareness, safe-usage and application of AI by delivering against our AI strategy roadmap to improve access, guardrails, support and the sharing of learning amongst colleagues
- implementing and communicating activities in our Environmental, Social and Governance (ESG) roadmap to achieve our aim of being a net zero organisation by 2045 at the latest.

Need some help?
Need some help
Volunteer
NAFILA

Heart Foundation
Need some
HARRIET
Need some help
JACKIE

Financial review

Overview

Despite a challenging economic environment in the United Kingdom, marked by high inflation and a significant cost-of-living crisis, BHF maintained a robust financial performance throughout 2023-24. The prevailing economic conditions, however, exerted pressure on income generation, with fundraising and retail trading facing notable challenges compared with the prior year.

For the year ended 31 March 2024, BHF reported a total net income of £138.4m, a decrease of £5.9m or 4% from the previous year's £144.3m. Fundraising income saw a reduction of £3.3m, while retail profits declined by £6.1m. In contrast, legacy income demonstrated remarkable resilience, increasing by £6.4m to reach £101.4m — the second-highest figure on record — thanks to an exceptional number of high-value bequests.

The portion of income allocated for charitable activities was 77%, down from 80% in the prior year, yet still significantly above our benchmark of 70p of every £1 being directed towards our lifesaving work.

BHF's investment in its charitable mission totalled £156.2m for the year, which included £116.7m in medical research funding, reflecting a steadfast dedication to combating heart and circulatory diseases and their risk factors. New research grants for the year amounted to £119.3m.

Furthermore, £39.5m was channelled into Healthcare Innovation activities to provide support and information to families impacted by heart and circulatory conditions. This led to a deficit in income over expenditure of £17.8m, before accounting for investment gains, a reversal from the previous year's surplus of £11.2m.

Statement of financial activity – Summary

	2024	2023	Movement
	£m	£m	%
Legacy income	**101.4**	95.0	7
Fundraising income [1]	**47.7**	51.0	(6)
Retail net profit [2]	**18.8**	24.9	(24)
Investment and other income [3]	**12.5**	9.7	29
Total income (net of retail costs)	**180.4**	180.6	–
Direct costs of generating funds [4]	**(42.0)**	(36.3)	16
Total net income	**138.4**	144.3	(4)
% of total income available for charitable purposes	**77%**	80%	
Research	**(116.7)**	(99.4)	17
Healthcare Innovation	**(39.5)**	(33.7)	17
Total charitable expenditure	**(156.2)**	(133.1)	17
Net (expenditure)/income	**(17.8)**	11.2	(259)

Notes

1. Fundraising income comprises donations of £33.7m (2023: £29.3m), volunteer fundraising of £7.1m (2023: £14.6m) and income from fundraising trading activities of £6.9m (2023: £7.1m)
2. Retail net profit comprises retail net profit of £15.2m (2023: net profit of £21.6m) and income from donations received in BHF shops of £3.6m (2023: £3.3m).
3. Investment and other income includes income from charitable activities of £2.1m (2023: £3.7m), investment income of £10.3m (2023: £5.9m) and other income of £0.1m (2023: £0.1m)
4. Direct cost of generating funds comprises total fundraising costs of £37.9m (2023: £33.0m) and costs of fundraising trading of £4.1m (2023: £3.3m)

Financial review

Overall net income in 2023-24 was £12.7m, (including a substantial £30.5m gain from investments) compared to net income of £7.9m in the prior year (including a £3.3m loss from investments).

As detailed in the Group Statement of Financial Activities, the total expenditure for the year was £416.7m (2023: £370.1m), with £222.6m (2023: £204.0m) directly related to our trading operations, predominantly our retail business. When discussing our results, the figures in the table above are used because they reflect more clearly the performance of our retail and fundraising income activities during the year.

Net income

In 2023–24 BHF achieved a total income of £180.4m inclusive of the return generated from our retail trading activities, a marginal £0.2m decrease from the previous year's £180.6m.

Our legacy income remained the predominant contributor, reaching £101.4m, compared to £95.0m in 2022–23, bolstered by significant individual gifts. The majority of legacy income comes from generous residuary bequests (share of estate), reflecting the public's enduring commitment to supporting BHF's vital research endeavours. Conversely, income from other fundraising streams, such as philanthropy, corporate partnerships, events and individual giving, reached £47.7m. This represents a decrease from the previous year's £51.0m, influenced by the ongoing economic climate and the benefit in the prior year of being the London Marathon's lead charity.

In BHF Retail, we operate the largest charity retailer in the UK and the largest eBay charity retailer in the world. In a year of challenging trading conditions impacted by cost inflation, we achieved a profit of £18.8m (2023: £24.9m), inclusive of a £3.3m benefit from a 53rd week's trading. This outturn reflected growth in sales being more than offset by the impact of cost inflation, as further described below. Gross retail income, inclusive of donations received in BHF shops and stores, grew 5% to £237.3m, compared to £225.6m in 2022-23. This reflected like for like sales growth of 3%, including 5% in our Home stores and 1% in our Clothing shops. In addition, online sales grew 9% to £14.8m, including sales of donated stock via eBay, as well as a growing contribution from a range of heart health products such as defibrillators, blood pressure monitors and portable ECG devices.

Retail trading costs increased ahead of sales growth by 9% to £218.5m, (2023: £200.7m). This reflected the continuing impact of significant inflationary pressures that have affected all businesses. This included investment in our team's pay and benefits in a highly competitive employment market, together with the impact of increased energy costs throughout our operations.

As of 31 March 2024, BHF managed 672 shops, including 495 Clothing shops and 177 Home stores. The year saw the opening of 9 new outlets, the relocation of 6, and the closure of 14, as part of our ongoing strategy to optimise our portfolio.

Investment and other income experienced a notable rise to £12.5m (2023: £9.7m), primarily due to improved investment returns of £10.3m following interest rate rises. In addition, other income included a grant of £1.8m from the Department for Science, Innovation and Technology, following our advocacy for the protection of charity-funded research post-Covid-19.

The direct costs associated with generating funds increased by 16% to £42.0m, reflecting investment to drive income growth in the longer term. This resulted in net income available for charitable activities of £138.4m, a 4% reduction from the previous year (£144.3m).

Financial review

Charitable expenditure

During 2023–24, our charitable expenditure totalled £156.2m, up from £133.1m in 2022–23.

The solid net income performance, combined with the strength of our financial reserves, meant that we were able to increase funding for new research by 3.2% to £119.3m (2023: £115.6m). After adjusting for cancellations and discounting as outlined below, and including allocated support costs, research expenditure is reported as a total investment of £116.7m (2023: £99.4m). In addition, £39.5m (2023: £33.7m) was invested to fund Healthcare Innovation, covering a range of activities focused on promoting information and support for heart and circulatory disease patients.

As noted above, our five research funding committees awarded 241 new research grants worth £119.3m (2023: £115.6m), including supplements made to new and existing grants. The Chairs and Programme Grants Committee spent £68.8m, of which £35.0m was allocated to nine universities through our Research Excellence Awards programme. This programme offers researchers greater flexibility than traditional funding, allowing scientists to quickly launch ambitious projects that can act as a springboard for larger, transformative funding applications. A further range of research projects were funded including £11.9m for programme grants and £5.8m for special projects. Total research investment also included £28.4m for fellowships, £16.1m for project grants, £5.3m for clinical studies and £0.7m for translational awards (representing expected payments to the completion of future milestones).

The total reported investment in research of £116.7m (2023: £99.4m) is different to the total new grants awarded because it reflects allowances for the experience that the majority of grants are not claimed in full, the application of a discount factor to reflect the long-term nature of the majority of the grant liabilities, as well as relevant BHF staff and support costs.

Beyond our core research funding, investment in Healthcare Innovation totalled £39.5m (2023: £33.7m). This covered a range of activities in support of heart and circulatory disease patients, including launching the free phone service to enable more equitable access for people to contact specialist cardiac nurses on our heart helpline and access better information and support. We also continued to invest in innovation through the delivery of The Circuit: the national defibrillator network with 87,000 defibrillators registered by March 2024, and RevivR, our digital CPR training tool in partnership with Laerdal. In September 2023, we also launched our Healthcare Innovation Fund to seek to test and evaluate innovative approaches to the delivery of improved services for patients and funded five projects.

Balance sheet

As at 31 March 2024, total cash, deposits and investments for BHF Group were £368.7m, an increase of £53.5m in the year. This reflected the benefit of strong equity markets contributing to a £30.5m investment gain (2023: loss of £3.3m), together with solid operating cash flow.

Our cash and investment portfolios are held to help us ensure we are always in the position to settle grant commitments, with gross unconditional grant commitments of £409.9m as at 31 March 2024 (2023: £365.8m). Grants awarded are commitments by BHF to reimburse recipients for expenditure properly incurred in accordance with grant agreements. It is our policy to provide for the total expected commitment at the point a grant is agreed and communicated to the grantee. However, there is often a substantial time lapse between recording a new grant award in our financial statements and its

Financial review

subsequent payment, and the full grant commitment may not be utilised in full. These factors are reflected in the year-end grant liability, which was £357.1m as at 31 March 2024 (2023: £307.1m).

At the end of the financial year, BHF Group is reporting total net assets of £138.3m compared to £125.6m last year. Total Unrestricted Funds in the Group balance sheet showed a surplus of £117.2m (2023: £102.4m). The increase in net assets reflects the investment gain and operational cash generation, offset by higher grant liabilities.

Although Total Unrestricted Funds have remained in surplus as at this year end, after careful consideration the Trustees remain of the view that a deficit on reserves is a position that could be maintained in the longer term, taking into account the relatively long-term nature of BHF's grant liabilities, our cash and investment portfolio and the considerable diversity of our fundraising activities, including legacies, which provide ongoing cash resources to fund research grant liabilities. Of the total research liabilities of £357.1m, £237.8m are long-term and will be funded, in part, by income generated in future years.

Reserves policy

The Board of Trustees considers the key measure of sustainability for BHF to be current and future liquidity cover, rather than the surplus or deficit accounting position. Consequently, Trustees have set an appropriate reserves policy, which is reviewed annually relating to liquidity, based on the relationship between readily realisable assets and the cash required to settle grant liabilities and sustain BHF's operations for an anticipated period. Trustees have decided that, after an allowance for future income expectations (including an assessment of the potential loss from an extended interruption to retail trade), BHF should at all times maintain cash and readily realisable assets at least sufficient to fund between 12 and 24 months of forecast cash outflow to settle grant awards, plus 12 months of non-retail operating costs (excluding direct costs of income generation). In the event of BHF facing difficult financial circumstances, these liquid reserves would allow us to both meet our responsibilities to grant holders and for operations to continue during a period of managed adjustment to these new circumstances.

Based on the current grants position, this policy requires us to hold at least £138m to £173m in liquid and readily realisable assets. With total cash, deposits and investments of £368.7m as at 31 March 2024, we have the benefit of substantial headroom above the base reserves requirement. As part of our strategic planning process, the Trustees will continue to consider how this headroom can best be applied over the medium term to accelerate our charitable mission. This is expected to focus on opportunities to expand our research funding capacity, together with a programme of investment in BHF's technology infrastructure and brand, so as to position the organisation for longer term success. Such application of reserves is expected to be achieved through net cash outflows, the quantum of which is in part represented by the short-dated bond portfolio (£116m as at 31 March 2024), which is structured to match the forecast net cash requirements of BHF over the medium term.

Financial review

Reserves and grant commitments

	2024	2023
	£m	£m
Equity growth portfolio (including cash held for investment purposes)	**154.7**	137.2
Short-dated corporate bond portfolio (including cash held for investment purposes)	**116.0**	48.6
Cash and cash equivalents	**98.0**	129.4
Total cash and investments	**368.7**	315.2
Grant liability	**357.1**	307.1
Unrestricted funds	**117.2**	102.4
Total funds	**138.3**	125.6

Investment policy and performance

BHF held total cash, deposits and investments of £368.7m as at 31 March 2024, an increase of £53.5m on 2023. BHF has three portfolios: an equity growth portfolio, a short-dated corporate bond portfolio and a cash portfolio. The investment objective of the equity growth portfolio, which was valued at £154.7m as at 31 March 2024 (2023: £137.2m), is to provide real growth over a 5-to-10 year horizon. Overall, the growth portfolio generated a total return, net of fees, for the year ended 31 March 2024 of +13.2%, against a benchmark of +11.8%.

The short-dated corporate bond portfolio is managed by Royal London Asset Management Limited (RLAM), with £116.0m held as at 31 March 2024 (2023: £48.6m). The portfolio is constructed such that the coupon and maturity payments generated broadly match the forecast net cash requirements over the medium term. The increase in the year reflects the transfer of £65m from cash resources to extend the maturity profile of the portfolio which now runs to 31 March 2032. The short-dated corporate bond portfolio generated a total return, net of fees, for the year ended 31 March 2024 of 5.3% (2023: 0.0%). The growth and short-dated corporate bond portfolios included a total of £3.1m of cash held for investment purposes as at 31 March 2024 (2023: £1.8m).

To balance short-term cash requirements and investment risks, we maintain a cash portfolio, with £76.5m held as at 31 March 2024 (2023: £111.6m). The cash portfolio is predominantly held in RLAM's Short Term Money Market and Short Term Fixed Income funds, and is comprised of readily realisable investments which are reported within the total cash and cash equivalents on the balance sheet of £98.0m (2023: £129.4m). The investment objective of the cash portfolio is to preserve the absolute capital value of the assets, with the return benchmarked against the relevant SONIA (Sterling Overnight Index Average) rate. The RLAM cash portfolio generated a total return for the year ended 31 March 2024 of 5.3% (2023: 2.4%), against the benchmark return of 5.2% (2023: 2.3%). The total return on investments for the year (including net investment income) was a net gain of £39.7m (2023: £1.7m).

Our investments are governed by investment and treasury policies that are reviewed by the Trustees on an annual basis. The policies are designed to balance the objective of maximising investment returns against the risk and liquidity of the investments, including consideration of environmental, social and governance issues, as further discussed below. All investment managers are asked to demonstrate effective systems of control, including annual compliance with the requirements of the ICAEW Audit and Assurance Faculty assurance framework (or equivalent) on internal controls.

Financial review

Responsible investment policy

BHF is committed to investing its funds in a responsible manner and for the investment portfolio to be managed in accordance with BHF's own charitable mission and values. This means having regard to best practice in Environmental, Social and Governance (ESG) issues. The investment managers are expected to encourage good behaviour in the companies in which they invest and should promote sustainability, good business ethics, good employment practices and the transition to a low carbon economy. BHF currently employs Schroder Investment Management Limited and Royal London Asset Management Limited to manage the investment portfolio. Both firms are signatories to the Principles for Responsible Investment (PRI), integrate ESG and engagement fully into their investment processes and produce regular ESG reports. There is a formal exclusion on investment in tobacco (defined as a company deriving more than 5% of turnover from the manufacture of tobacco or tobacco related products) and the investment portfolio is regularly monitored for its resilience to ESG and carbon risks.

Pensions

BHF UK Retirement Plan, a defined contribution scheme, is available for employees to join at any time. Contributions made to the Plan during the financial year totalled £5.7m (2023: £5.1m). In addition, the Charity retains a funding obligation to the BHF UK-defined benefit pension scheme ('the Scheme'), which was closed to new entrants from 30 June 2001 and to future accrual from 31 May 2016.

The Scheme remains subject to a formal triennial funding valuation, with the most recently completed being as at 1 July 2020. This showed a funding surplus of £2.0m, such that no additional employer contributions are currently required. The next valuation is being undertaken as at 1 July 2023, but has yet to be finalised. The actuary carries out a separate annual valuation of the Scheme in accordance with 'FRS 102: Employee Benefits', in which different funding assumptions are applied. The FRS 102 valuation as at 31 March 2024 showed a surplus of £2.1m (2023: £2.0m). This surplus is not recognised as an asset, on the basis that future economic benefits are not deemed available to BHF in the form of a reduction in future contributions or a cash refund. This is further explained in note 14 to the financial statements.

Charitable activity in Scotland

BHF has charity shops in Scotland and receives income from other fundraising activities undertaken in Scotland. In 2023–24, 35 research grants totalling £14.4m were awarded to the Universities of Edinburgh, Aberdeen, Glasgow, Glasgow Caledonian, Dundee, Heriot Watt, Napier, St Andrews, Stirling and Strathclyde.

Activity in the Isle of Man

BHF is registered as a charity in the Isle of Man and has a fundraising group there. During 2023–24, fundraising continued with the support of the community and £5,000 was raised.

Trading subsidiaries

The British Heart Foundation has two wholly owned subsidiary undertakings: British Heart Foundation Ventures Limited and BHF Shops Limited. Profits of trading subsidiaries are detailed in note 13 to the accounts.

Financial review

Streamlined energy and carbon reporting

In line with the Streamlined Energy and Carbon Reporting legislation, BHF is required to report its energy consumption and greenhouse gas emissions arising in the UK. All scope 1 & 2 sources of energy and emissions have been disclosed as well as mandatory scope 3 sources of energy and emissions. In addition, scope 3 includes well-to-tank emissions and distribution losses.

This report has been compiled in line with the March 2019 BEIS 'Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance', and the EMA methodology for SECR Reporting. All measured emissions from activities which the organisation has financial control over are included as required under The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018. The carbon figures have been calculated using the BEIS 2023 carbon conversion factors for all fuels, other than the market-based electricity, which has been taken from EDF as the UK supplier.

The intensity metric that BHF uses to normalise emissions for annual comparison is tCO2e per £1m turnover, which is considered the most appropriate metric for the nature of BHF activities and operations. Location-based Scope 2 Emissions are calculated based on the average emissions intensity of the UK grid and do not take into account any specific renewable energy certificates or other green energy guarantees. Market-based Scope 2 Emissions reflect the specific electricity purchased by the charity, rather than the local grid's average intensity, and demonstrate our commitment to green energy choices.

In comparison with 2022-23, our overall energy consumption has decreased by 6% or 1,660MWh, and our total greenhouse gas emissions have decreased by 8% or 246tCO2e. This success built on the progress reported last year, and reflected the further benefit of our energy efficiency programme which our wider team has fully embraced. We have also been rolling out our new electric company car fleet and introduced our first two electric vans. We continue to purchase our electricity through renewable contracts for all sites where we have operational control.

UK Carbon Footprint Data 2023-24

	Energy Consumption (MWh)1		GHG Emissions (tCO2e) 2	
Source of Energy and Emissions	**2024**	2023	**2024**	2023
Combustion of Natural Gas	**3,815**	4,120	698	752
Combustion of Fuel in Company Vehicles	**4,177**	4,733	1,062	1,177
Other	**11**	–	5	–
Scope 1 Total	**8,003**	8,853	**1,765**	1,929
Generation of Purchased Electricity	**17,087**	17,857		
Of which from Electric Vehicles	**103**	20		
Renewable Electricity Percentage			95%	96%
Location-based Emissions			3,538	3,452
Market-based Emissions			171	158
Scope 2 Total	**17,087**	17,857	**171**	158
Combustion of Fuel in Staff-owned Vehicles	**978**	1,018	236	259
Electricity Transmission & Distribution Losses	**–**	–	306	316
Well-to-tank Emissions of Primary Fuels	**–**	–	549	611
Scope 3 Total	**978**	1,018	**1,091**	1,186
Grand Total	**26,068**	27,728	**3,027**	3,273
Intensity per £m Turnover (Market-based)	**–**	–	**7.6**	8.6

Notes

1. Megawatt hour
2. Tonnes of carbon dioxide equivalent

Financial review

BHF recognises the threats posed by climate change, pollution and resource depletion. Our Sustainability Programme is the framework we use to shape our medium term approach and monitor and improve our performance, with progress on key initiatives reported on pages 84 to 86.

Going concern

The Trustees have reviewed our financial position and financial forecasts, taking into account the levels of investment reserves and cash, and the systems of financial control and risk management. As a result of this review, the Trustees believe that there are no material uncertainties that could cast significant doubt over their ability to continue as a going concern, and that we are well placed to manage operational and financial risks successfully. Accordingly, the Trustees have a reasonable expectation that the Charity and the Group have adequate resources to continue in operational existence for the foreseeable future, being a period of at least 12 months from the approval of the financial statements. As a consequence, the Trustees continue to support the going concern basis in accounting in preparing the annual accounts.

Internal control

The Trustees are responsible for ensuring that there are effective risk management and internal control systems in place to manage the strategic and operational risks facing BHF.

Processes in place regarding risk management and internal controls include the following:

- a Risk Management Framework which meets the Charity Commission's requirements and follows good practice from the Institute of Risk Management (IRM)
- an Internal Audit function supported by BHF's internal audit partner Crowe UK, which delivers a risk-based audit programme approved by our Audit and Risk Committee. The Audit and Risk Committee reviews internal audit follow up by BHF management, as well as more detailed reports from senior management on key areas of risk
- an Enterprise Portfolio Management Office (EPMO) to support operational effectiveness and prioritisation of resources across BHF
- Programmes and projects are scrutinised by the Executive Group and monitored through an Operations Board to ensure they are effectively planned and implemented.

Risk management at BHF

BHF's risk management process is underpinned by a clear Risk Management Framework which sets out the process that we use to identify and manage risks in all our activities. Each directorate is responsible for effective management of risk through individual Directorate Risk Registers. An overarching BHF Corporate Risk Register (CRR) is used to monitor the management of strategic, operational and compliance risks to BHF. The Trustee Board formally review the CRR annually and it is reviewed quarterly by the Audit and Risk Committee and Executive Group.

In March 2024, the Trustees completed their annual review of the CRR. During this review, the Board has considered:

- the high and significant risks to which BHF is exposed,
- the potential impact and probability associated with each risk,
- existing internal controls, and
- mitigating actions to reduce each risk to a level and a timeframe that the Board considers to be acceptable.

In 2023-24, BHF continued to develop its Risk Appetite position which aligns with our strategic plan. Our Risk Appetite approach forms a key part of our strategic decision-making process, and we report on corporate risks outside our agreed appetite to the Executive Group and the Audit and Risk Committee. Developing our understanding of Risk Appetite supports the delivery of our strategic ambitions by helping ensure we maximise our potential objectives whilst maintaining a prudent approach to identified risks.

BHF proactively monitors new and emerging risks through the Incident Response Group which meets monthly, to identify and discuss emerging risks in order to assess the potential impact on our strategic objectives and day to day delivery activities.

Principal risks and uncertainties

Risk	Management
Income & Charity Expenditure macro economic factors significantly reduce income or increase costs, impacting on our ability to deliver our charitable mission.	BHF has seen positive performance results from key income sources, particularly legacies, while continuing to prioritise investment in technology, property and compliance. Principal risk mitigations include: **Increasing income and reducing expenditure** • we continue to develop our online platforms to better serve the needs of our supporters and customers, with a focus on operational efficiency and to drive data driven decision making • scoping a long-term review of our technical infrastructure to drive internal and external efficiencies. **Monitoring, review and management of the financial position** • regular monitoring and reforecasting of financial performance • an underlying liquidity focus in our cash and investment portfolio, to ensure we retain capacity to honour our research and other financial commitments • the preparation of long-term financial forecasts aligned to BHF's strategy to 2030 that target a diversification of income streams and incorporate an ongoing consideration of market and consumer trends. **Ensuring ongoing research programmes and new commitments are effective and impactful:** • evaluating and monitoring impact to ensure an evidence-based approach to our position and investment • continued focus on sustainable long-term growth of the UK cardiovascular research ecosystem and identification of new strategic opportunities through stakeholder dialogue • advocating for the Government to safeguard research in the UK by adopting the Life Sciences – Charity Partnership Fund.
Cyber Threats and Security Maturity a breach of BHF's IT infrastructure or services results in loss of data or denial of service.	BHF retains a specialist Information Security team who are delivering a comprehensive information security programme which ensures cyber risks are regularly reviewed and counter measures prioritised. Key risk mitigations include: • the development of an Information Security Strategy, aligning with our Technological roadmap, to reduce the likelihood of cyber security attacks; including an external NIST assessment of our cyber posture • a programme of mandatory training and supporting communications to ensure colleagues maintain a high level of security awareness • delivery of effective data classification, data loss protection and asset management processes • a robust technical environment, including firewalls, proxy and anti-virus protection, vulnerability monitoring, penetration testing, installation restrictions, patch management and end of life monitoring, • utilisation of third party specialists to support cyber risk assessments and incident response capabilities.

Principal risks and uncertainties

Risk	Management
Adverse Events incidents that damage reputation and/or negatively impact operations (including, serious fraud, supply chain disruption, major health and safety incidents, safeguarding and internal process failures).	• proactive detection, monitoring, reporting and whistleblowing arrangements to enable investigation of potential adverse events and incidents • proactive and reactive media management in place, including ongoing digital and traditional media monitoring • dedicated specialist resource is applied in key areas such as health and safety, risk and assurance, procurement, safeguarding and legal that support organisation-wide events and operations • monitoring of key suppliers, including financial and due diligence checks • programme of health and safety improvement training across our workforce to strengthen our safety management systems and manage compliance and hazard risks • continuing programme to drive IT improvements and strengthening of infrastructure and cyber security to protect BHF assets • regular review and testing of our incident management framework, and business continuity and disaster recovery plans.
Regulatory environment changes in government policy, regulatory requirements and/or Charity Sector guidance negatively impact on BHF's strategy and activities.	• BHF risk management, legal and fundraising compliance teams monitor public policy and the regulatory environment to ensure potential risks can be proactively managed • active programmes of advocacy, influencing and senior level engagement to ensure our views are shared • senior BHF and partner representation at key events and forums to help shape the research agenda.
BHF Strategy strategic objectives and activities are not properly or sufficiently focused in order for the charity to deliver its mission.	• BHF's Strategy to 2030 sets out how we aim to play a leading role in achieving significant improvements in heart and circulatory health • our 3-year Strategic Plan outlines the key milestones in the medium term for the successful delivery of the Strategy, which are monitored and reviewed by the Executive Group and Trustees • the development of supporting programmes and operational plans is informed by internal and external subject matter experts • scrutiny and approval of research funding applications by international expert committees.
Investments BHF is exposed to financial risk and market movements through its cash and investment portfolios, and via the assets and liabilities of a defined benefit pension scheme.	• expert financial advice informs investment and treasury policies that ensure our portfolio is adequately diversified and managed. This includes having regard for best practice in Environmental, Social and Governance (ESG) issues, as further discussed below • oversight of investment performance by our Investment Committee, who monitor compliance with, and the effectiveness of, our investment and treasury policies • the Trustees of the defined benefit scheme (closed to new members and future service accrual), in consultation with BHF as sponsoring employer, ensure expert advice informs the Scheme's investment and liability management policies.

Principal risks and uncertainties

Risk	Management
Our People attracting and nurturing talent and leadership development and succession planning to retain the right staff in a competitive employment market	• an active communication programme using our intranet site to ensure staff and volunteers are always informed on BHF's strategy and the progress being achieved • monitoring of trends in an increasingly competitive and dynamic employment market with regular external benchmarking of compensation and benefits • monitoring and responding to insight from organisational engagement surveys • continuing the #flexiblyconnected programme to enable staff to have more flexibility in their work patterns and to help maintain a healthy work-life balance • ethnicity and Gender Pay Gap monitoring and reporting • continuing to roll out and embed the EDI strategy and engagement programme • talent management, leadership development and succession planning programmes for key functions • investments in pay and wellbeing benefits to recognise the impact of the cost-of-living crisis on our workforce • a network of staff Affinity Groups to share information and support diversity of our people • commitment to BHF's Volunteer Strategy with a focus on ensuring it is inclusive, easy, and flexible for volunteers to be able to support BHF.
Normalising Change & Delivery delivering effective change management through major process improvement programmes in support of BHF Strategy	• creation of an Enterprise Portfolio Management Office (EPMO) to support operational effectiveness and prioritisation of resources across BHF • operations Board and Executive Group review, monitor and support all key change programmes ensuring appropriate governance and resourcing priorities are addressed • independent programme assurance of key change programmes • utilising expert third party advice and strategic delivery partners, to help determine and deliver BHF's future technology architecture and road-map.
Collaborative Research the impact of Britain's withdrawal from the European Union on the research sector, our ability to attract researchers, or collaborate with European research institutions.	• we have made, and continue to develop, bilateral agreements with European and global institutions • engaging with BHF funded researchers to better understand any ongoing impact, and therefore the extent to which BHF's funding programmes may require amendment or development • engaging with relevant government and umbrella organisations to advocate and influence in the interest of our beneficiaries, including applicable visa arrangements such that the UK remains an attractive location for international researchers to come and work.
Environment and Sustainability failure to progress our sustainability programme could damage our reputation, introduce higher costs and impact our ability to meet our charitable mission.	• implementation of an Environmental, Social and Governance (ESG) programme, fully embedded within our overall strategic ambition, including the establishment and subsequent monitoring of longer term ESG targets for BHF • commitment to investing BHF's reserves in a responsible manner and for the investment portfolio to be managed in accordance with BHF's own charitable mission and values. Employing best practice in ESG Implementation • the ESG Board with Executive Group sponsorship oversees the delivery of our ESG programme.

Legal structure and governance

British Heart Foundation is a company limited by guarantee, incorporated in England on 28 July 1961, and registered at Greater London House, 4th Floor, 180 Hampstead Road, London NW1 7AW. Our Articles of Association were last amended on 31 March 2016 and provide for a limitation of member liability to £1. BHF is a registered charity in England and Wales (charity number 225971), in Scotland (charity number SC039426) and on the Isle of Man (charity number 1295).

BHF is the UK's largest independent funder of cardiovascular research in the UK. Our mission is to prevent and defeat heart and circulatory diseases by pioneering lifesaving research into the causes, diagnosis, treatment and prevention of heart and circulatory disease for the public benefit, and to provide vital support and information for people living with heart and circulatory diseases.

The Board of Trustees is responsible for the governance and strategy of BHF. The board comprises up to 14 Trustees, and a mix of medically-qualified and lay members. The Trustees have full legal responsibility for the actions of BHF, are appointed for a renewable term of three years and are the directors of the company for the purposes of the Companies Act 2006.

The Board meets on a quarterly basis and delegates day-to-day responsibility for the running of BHF to the Executive Group.

The Board also delegates specific responsibilities and activities to various sub-committees, including the Audit & Risk, Investment, Retail, Nominations and Remuneration & People committees. Our investment in research is overseen by five medical committees with responsibility for specific areas of research including the review of grant applications and other scientific award proposals. An organisation chart listing all our current committees can be found on page 104.

Our board and committee structure

Our committees and groups are arranged into one of three streams – Governance, Operational and Advisory.

Governance stream

The Trustees have the ultimate responsibility for running the Charity, their principal duties being to set the strategic direction of the Charity and ensure that the Charity is solvent, properly run and delivers its charitable purposes. To ensure that all decisions are informed and appropriate, and where it is beneficial to BHF, the Trustees have delegated certain tasks to directly accountable committees. These 'Governance Committees' are comprised of members with relevant specialist knowledge. There are currently three Governance Committees – Audit & Risk, Nominations and Remuneration & People – each of which has members who are experts in areas appropriate to their committee's work.

Operational stream

The operational committees review and make decisions on key operational matters on behalf of the Board of Trustees in the following areas:

i) grants – members of our five research funding committees review and assess applications for grants for scientific, medical, clinical studies or translational research grants for work that will assist BHF to carry out its charitable activities. They also review the output and performance of grants throughout the lifetime of those awards.

ii) investment – the Investment Committee recommends investment strategies and oversees investment performance in line with BHF's aims, objectives and risk appetite.

Each operational committee operates within clearly defined delegated authority and budgetary limits set by the Board to further the strategic aims of the Charity.

Legal structure and governance

Advisory communities

BHF advisory communities cover specific areas of expertise, each designed to support BHF's strategy to 2030. Working with supporters, specialist advisers, patient representatives and other key stakeholders these groups:

- provide tailored, expert support and advice to the Board and Executive Group,
- keep the Board apprised of major issues and concerns, and
- provide a forum for stakeholder involvement and consultation to inform BHF's work.

The advisory communities currently include as part of the formal board structure, a Retail Committee, and among other specialist advisory groups, the Research Strategy Advisory Group, Technology Advisory Group, and Marketing Advisory Board. Each is made up of independent experts who provide advice on our operations and insight on the wider research, commercial and technology environment.

Charity Governance Code

The Board supports the principles of good governance as set out in the Charity Governance Code and has reviewed and will regularly revisit the Code's key principles to support continuous improvement and ensure the highest standards of governance. As recommended by the Code, every three years the Board commissions an independent review of its performance, and in the intervening years undertakes a self-evaluation process.

In 2023, an independent governance review was commissioned and undertaken by Campbell Tickell. This included a review of our committee structure and overall governance arrangements including board culture and effectiveness, decision making, risk and performance monitoring and overall compliance with the Charity Governance Code. The Nominations Committee has been asked to provide oversight of the implementation of an agreed set of actions.

Legal structure and governance

Board of Trustees

The Trustees act as the company directors of BHF, and under charity law they have legal duties and responsibilities as Trustees.

We are pleased to welcome two new Trustees, David Boynton and Sharron Pamplin who joined the Board of Trustees this year. The Board of Trustees is grateful to all our committee members for their support during the year, but our particular thanks go to Karen Frank for initially stepping into the role of Acting Chair this year on the retirement of Wendy Becker, before subsequently being appointed Chair. We also express our thanks to Wendy Becker, Chair of Trustees and to Daryl Fielding, Sir John Hood, Professor Jill Pell and Peter Phippen, who also retired this year, each having played a huge role in the direction of BHF during their tenures.

The membership of the Board of Trustees, and their involvement on other Governance Committees is as follows:

Trustees	Year of Trustee appointment	Audit & Risk	Nominations Committee	Remuneration & People Committee
Karen Frank (Chair)*	2019		C+	M+
Wendy Becker (Chair)*	2022		C*	M*
David Boynton*	2023			
Dr Sarah Clarke (Deputy Chair)	2018		M	M
Professor Sadaf Farooqi	2022			
Daryl Fielding*	2017	M**		
Mark FitzPatrick	2020	C		
Sir John Hood*	2021			
Timothy Howe KC	2018	M		
Dr Annalisa Jenkins	2021			
Professor David Lomas	2016		M	
Sharron Pamplin*	2023		M++	C++
Peter Phippen*	2017			
Professor Sir Munir Pirmohamed	2020			
Professor Jill Pell*	2020			
Professor Brian Walker	2022			

***Changes to the Board of Trustees in this financial year**

- Sir John Hood retired on 5 July 2023
- Wendy Becker retired on 1 October 2023
- Karen Frank became Acting Chair on 1 October 2023 and Chair on 11 June 2024
- Professor Jill Pell retired on 17 October 2023
- Daryl Fielding retired on 14 December 2023
- Peter Phippen retired on 14 December 2023
- David Boynton joined the Board of Trustees on 14 December 2023
- Sharron Pamplin joined the Board of Trustees on 14 December 2023

Trustee biographies are available at:
www.bhf.org.uk/what-we-do/our-people/our-trustees

Key	
C	Chair
M	Member
+	from 1 October 2023
++	from 14 December 2023
*	to 1 October 2023
**	to 14 December 2023

Legal structure and governance

Trustee recruitment, induction and training

The Nominations Committee is responsible for recruiting members of the Board of Trustees and its sub-committees. One of its key aims is to ensure a broad mix of skills, experience, knowledge and diversity including gender and ethnicity. The Nominations Committee meets regularly to review the composition of the Board of Trustees and its committees, and all new appointments are evaluated against the existing skills, experience, knowledge and backgrounds. Trustee and committee vacancies are advertised as necessary and for recent appointments BHF has extended its search and taken advice from specialist agencies to enhance and broaden the pool of candidates. BHF will also approach individuals thought to have the right skills.

New Trustees undertake a comprehensive induction programme and are invited to spend time with individual members of the Executive Group. This is a chance to learn about BHF and identify opportunities to become more involved with our work. Trustees are also invited to attend regular research site visits to learn more about BHF research, and additional training and updates are provided as appropriate.

Section 172 Companies Act 2006 Statement

The Trustees, as company directors of BHF, must act in accordance with a set of general duties as detailed in Section 172 of the Companies Act 2006, which includes a duty to promote the success of the company, and in doing so have regard (amongst other matters) to:

- the likely consequences of any decision in the long term,
- the interests of the company's employees,
- the need to foster the company's business relationships with suppliers, customers and others,
- the impact of the company's operations on the community and the environment, and
- the desirability of the company maintaining a reputation for high standards of business conduct.

Our governance processes

Throughout this report, we have summarised our governance framework, our values and behaviours, and how we have engaged with stakeholders during the year. The Trustee Board has considered the views and needs of key stakeholders in Board discussions and decision making. It also believes that a balance of skills, experience, knowledge and diversity in the broadest sense is vital to providing a variety of different perspectives to its discussions and enhancing the Board's decision-making. The following paragraphs are not intended to be an exhaustive list, but are illustrative of how the Trustees have fulfilled these duties during the year.

The likely consequences of any decision in the long term

BHF's long-term ambition is to see a world free from the fear of heart and circulatory disease. Our Strategy to 2030 is a blueprint for achieving these goals and has informed the Board's decisions and likely consequences of these in the long term. As part of their induction, the Trustees are briefed on their role and duties, which are fulfilled partly through the governance structure detailed on pages 103-105. The Board's discussions have been informed by detailed reports on specific subjects from the Executive Team and quarterly performance reporting to provide assurance and assist the Trustees in their decision making. In addition to this, a detailed Risk Management Framework is used to identify and manage risks in all our activities.

During 2023-24 we have continued to operate in an uncertain environment where prompt, informed decision making has been essential. The Board receives monthly operational updates to support business-critical decisions and has undertaken an annual review of BHF's Strategy to 2030 to agree short term priorities and assess the longer-term impact of the pandemic and current economic climate on the delivery of BHF activities, and on staff, volunteers and other key stakeholders.

For further details on our Risk Management Framework and principal risks and uncertainties please refer to pages 99-102.

Legal structure and governance

Engaging with our stakeholders

Our stakeholders	How we engage with them
Patients and those affected by heart and circulatory disease It is vital that we understand the experiences, needs and priorities of those affected by heart and circulatory disease to inform our research strategy, help us identify where policy changes are most needed to improve care and to provide relevant and accessible information.	• the Board of Trustees continues to recognise the growing backlog of care, diagnostics and treatment and the disproportionate effect of the pandemic on people affected by heart and circulatory diseases. It is agreed that fighting for better health and care, tackling health inequalities and the provision of information and support for the people who need us are critical priorities • we regularly consult and work with patients and the public to work for better health and care. We do this through various patient panels and advisory groups. For example, The Lived Experience Advisory Forum (LEAF) seeks advice from people affected by heart and circulatory conditions on our influencing priorities and our Patient Research Strategy Advisory Panel provides regular input into our research strategy • we are using data, insights and feedback to ensure we are effectively supporting the people who need us and are progressing with plans to be more inclusive in our approach • our valued information and support website pages continue to reach a wide audience and our Heart Helpline remains a lifeline for thousands of patients and their families • for further details on how we have engaged with patients and those affected by heart and circulatory disease please refer to pages 28-41.
Research and clinical community As the largest independent funder of cardiovascular research in the UK, supporting a thriving research community and fostering future talent is vital to our mission.	• our research portfolio includes 703 research projects spanning all areas of heart and circulatory disease, and the research training and fellowships we provide are a key part of BHF's prominent contribution to the UK cardiovascular research effort • our focus in 2023-24 has continued to be our use of partnerships and engagement with other international research funders to develop and deliver a strategic research agenda • in July 2023 we published our first research funding diversity report. This report provided valuable insight that is helping shape and inform the board's future strategy and actions to address under-representation in the research community • for further details on the impact on BHF's research please refer to pages 12-25.
Our supporters Building lasting relationships with our supporters is vital to our long-term mission. We need to provide the right opportunities for people to support us and the level of customer service they would expect.	• the board recognises its responsibility to increase awareness, inspire and build lasting relationships with our supporters, and is committed to ensuring our supporters have an incredible experience while helping to fund our lifesaving research • informed in part by feedback received from stakeholders, we have continued to invest in technology to support our retail business and customer services, and are committed to significantly enhancing the quality of customer experience across the whole of our customer base • we would like to thank all our supporters for their continued support, donations and tireless fundraising this year • for further detail on our fundraising activities please refer to pages 44-71.

Legal structure and governance

Engaging with our stakeholders (continued)

Our stakeholders	How we engage with them
Our staff and volunteers As an organisation we know we need to recruit, develop and support the best people to help us achieve our goals. In order to do this we need to understand what support, information and development opportunities our people need from us.	• we strive to promote a culture whereby everyone at BHF is treated equally, with respect, is safe from abuse or harm and is able to give of their best • we undertake regular staff and volunteer engagement surveys to understand and take into account any concerns • our employee survey shows that our Flexibly Connected policy on hybrid working is working well and valued by colleagues; and we are proud to have announced this year positive changes to parental leave entitlements for all BHF colleagues recognising the equal role of parents and carers and BHF's commitment to treat everyone fairly • our volunteering strategy and MyVolunteer digital platform have been designed to make gifts of time easy, flexible and inclusive. We want all our volunteers to have the best possible experience • we continue to build on and evolve our EDI strategy, Igniting Change, with input from our Kaleidoscope and affinity groups which provide a forum for raising awareness, listening and improving our understanding of the experiences of different groups at BHF. Outputs from these groups are fed back to the Remuneration & People Committee and have helped inform actions as part of this workstream • the Board is assisted in fulfilling its governance duties in relation to staff and volunteers by the Remuneration & People Committee, and part of this Committee's remit is to review regular reports on safeguarding, learning and development, employee and volunteer engagement and initiatives relating to wellbeing and safety, equality, diversity and inclusivity. Any concerns around culture or policy or people or compliance are brought to the attention of the Trustees • for further details on how we engage with our staff and volunteers please see pages 79 and 111-112.
Policy and key opinion leaders Strong and effective relationships with policy makers and other medical research charities is key to furthering our objectives in support of the prevention, treatment and care of heart patients.	• throughout the year, BHF has continued to develop and maintain strong and effective relationships with communities, key opinion leaders, the NHS and Government in each of the four Nations to further our objectives in support of the prevention, treatment and care of heart patients and making sure cardiovascular disease is seen as a top priority in tackling poor health and inequality • we have also worked closely with other medical research charities in pursuing shared policy outcomes • for further details on how we engage with policy makers please see pages 32-39.

Legal structure and governance

Engaging with our stakeholders (continued)

Our stakeholders	How we engage with them
Business relationships with suppliers, customers, partners, landlords and others The delivery of our charitable aims and objectives is dependent on a range of relationships with universities, suppliers and other business partners.	• we are extremely grateful for the advice and direct financial support received from our business partners, landlords and other service providers during the past year. The Board has encouraged management to develop and maintain trusted partnerships with each and expects our partners to be aligned with the values of BHF. We seek always to act with honesty and integrity in all that we do to deliver the best value for money in support of our strategic goals • partner organisations are expected to comply with the requirements of any professional standards, or trade bodies, depending on their activities, and all applicable laws, statutes, regulations and codes of practice relating to anti-bribery and anti-corruption • BHF has a zero-tolerance approach to modern slavery and we strive to act ethically and with integrity in all of our business dealings and relationships to ensure that modern slavery is not taking place anywhere in our own business or in any of our supply chains. We will also ensure that our approach to this issue is clear to our partner organisations. BHF also has a zero-tolerance policy on harm and abuse and provisions in relation to Safeguarding are also included in our Code of Practice for suppliers • through building trusted partnerships and working with others we believe great progress can be made towards our vision of a world free from the fear of heart and circulatory diseases. In 2023-24 some of these partnerships have also provided financial and practical support through a range of initiatives aimed at further supporting BHF • full details of our policies in relation to our business relationships with companies, suppliers, customers and others, including our supplier Terms & Conditions, statement on Modern Slavery and Feedback & Complaints policy can be found at: **www.bhf.org.uk/what-we-do/our-policies.**
Sustainability and Environmental Impact The threats posed by climate change, pollution and resource depletion will affect us all, and we recognise the need to address this threat through effective and ethical decision making.	• we have a programme of activities underway as we work to operate in the most responsible manner, with a series of commitments to ensure that our environmental, social and economic impact is considered • building on the work of previous years, in 2023-24 a principal decision of the Board of Trustees was the agreement of an Environmental, Social and Governance (ESG) roadmap, inclusive of a commitment to be a net carbon zero organisation by 2045 at the latest. In making this decision, the Board had regard to a range of factors, including the likely consequence of the decision on our stakeholders, including patients, staff and volunteers; the impact on the BHF's operations and the research community we support; and the impact on the BHF's reputation for maintaining high ethical standards and standards of business conduct • further information on 'Being a Responsible Charity: BHF's Roadmap' and key areas of focus which will enable us to meet this commitment can be found on pages 84-86, and our Streamlined Energy and Carbon Reporting on pages 98-99.

Legal structure and governance

Public benefit

In reviewing our aims and objectives, and planning future activities, the Trustees have taken into account the Charity Commission's general guidance on public benefit. The Trustees always ensure that the activities undertaken are in line with the charitable objectives and aims of BHF.

As highlighted earlier in this report, some of our health promotion, care and communications initiatives are specifically targeted at those population groups most at risk of heart and circulatory diseases, due to ethnic, social or economic factors. However, by their very nature, all our charitable activities are undertaken for the benefit of the public.

BHF fundraising

BHF is registered with the Fundraising Regulator and we, along with all fundraising partner organisations are committed to meeting the standards set out in the Code of Fundraising Practice:

fundraisingregulator.org.uk/code

To ensure compliance, BHF operates a continuous review of the standards set out within the Code included in quarterly reporting to the Audit & Risk Committee. Code requirements also form part of our fundraiser training.

BHF operates a broad fundraising portfolio which includes the use of third-party professional fundraisers, commercial participators and volunteers. The types of fundraising initiatives we engage in include (but are not limited to) in person and online events, community engagement through our groups, branches and volunteers, mass marketing which includes public fundraising, as well as engaging in corporate partnerships and with high net worth individuals.

Our fundraising activity and overall strategy is regularly addressed by the Board of Trustees in exercise of their duties under CC20 Charity Commission guidance. They, together with our Audit and Risk Committee, monitor significant risks and ensure they are being properly addressed.

Fundraising on our behalf

We continue to monitor all public fundraising agencies through our dedicated mystery shopping, training evaluation, doorstep shadowing and telephone call monitoring programme in line with the requirements set out in The Charities (Protection and Social Investment) Act 2016.

BHF currently engage the following professional fundraising organisations – APPCO UK Ltd and Ethi-call Limited. We have written fundraising agreements in place with each partner organisation which include clauses related to our monitoring and assurance activity.

Vulnerable people

BHF recognises its responsibility and is committed to acting appropriately and with compassion when engaging with vulnerable or potentially vulnerable people. Our Vulnerable Supporters Policy applies to all our fundraising activities and ensures that we are protecting the public from undue pressure to donate, as well as identifying people in vulnerable circumstances. We train all door-to-door and private site fundraisers around identifying the signs which may indicate a person is not able to make an informed decision to donate to BHF. Our Supporter Promise provides a further commitment to conduct our fundraising activity in a manner that is honest and transparent.

In addition, for 2023-24 we launched enhanced training for BHF staff on interacting with vulnerable supporters and on general fundraising compliance.

bhf.org.uk/what-we-do/our-policies/supporter-promise

Complaints

From the millions of contacts we have with supporters each year, in 2023-24 we received 271 complaints about our fundraising practices (2022-23: 258 complaints). We take all complaints very seriously and respond according to our Complaints Policy. We received no complaint investigations via the Fundraising Regulator in 2023-24.

Legal structure and governance

Our Board of Trustees receives the 'Voice of the Customer Report' which includes results of the latest online surveys in order to understand the views and concerns of our customers and supporters across all our activities.

Grant award policies

We only award scientific research grants after a formal, detailed application process and a comprehensive peer review. For in-depth information on research expenditure, the grant award process and application guidelines visit:

bhf.org.uk/for-professionals/information-for-researchers

Executive Group

The Executive Group is responsible for the day- to-day running of BHF under authority delegated to it by the Board of Trustees. It proposes to the Board of Trustees where BHF should invest its time, money and expertise, including an annual discussion of strategy supported by financial forecasts. It proposes an annual operating budget to the Board of Trustees for approval and monitors financial performance accordingly. The Executive Group members are detailed below:

Chief Executive
Dr Charmaine Griffiths

Medical Director
Professor Sir Nilesh Samani – to December 2023

Chief Scientific and Medical Officer
Professor Bryan Williams OBE MD FMedSci – from December 2023

Chief Technology Officer
Alex Duncan

Chief Financial Officer
Martin Miles FCA

Chief Marketing and Fundraising Officer
Claire Sadler

Chief People Officer
Kerry Smith

Commercial Director
Mike Taylor

Company Secretary

Head of Legal & Governance and Company Secretary
Sam Ryan

Executive Group biographies are available at:

bhf.org.uk/what-we-do/our-people/our-executive-group

Our staff and volunteers

None of our lifesaving work would be possible without the dedication and hard work of our volunteers, supporters and staff.

At 31 March 2024 we had a paid workforce of 4,393, spread right across the UK (3,373 of whom are employed in our retail operation). The full-time equivalent headcount is detailed within note 4 to the accounts on page 130.

To many people across the UK, volunteers are the public face of our charity. We are extremely grateful to our retail and fundraising volunteers for their continued support. We recognise that the world of volunteering has changed significantly over recent years, and our volunteering strategy is to make volunteering for BHF as easy, flexible and inclusive as possible. We want all our volunteers to have an incredible experience and truly feel they are making a difference to BHF.

Increased communication and engagement with staff and volunteers has helped to ensure that organisational trust and dedication have remained high. We've continued to foster a culture that empowers colleagues to Live well and Work well through a range of support, including a comprehensive programme of online webinars, promotion of external sources of support and encouraging social connection. We continued to expand our Mental Health Ambassador network and promote our Employee Assistance Providers accordingly.

Legal structure and governance

BHF is committed to employment policies which follow best practice, based on equal opportunities for all employees, irrespective of gender, ethnicity, religion, sexual orientation, age, employment status, disability or marital status.

BHF gives full and fair consideration to applications for employment from people with disabilities, having regard to their particular aptitudes and abilities.

All reasonable adjustments are made for the continued employment and training, career development and promotion of people with disabilities employed by BHF. We do not condone or tolerate any form of discrimination in our recruitment or employment practices. All employees and applicants are treated on merit, fairly, with respect and dignity, recognised as individuals and valued for the contribution they make, provided fair and equal access to training, development, reward and progression opportunities, and are accountable for the impact of their own behavior and actions.

During the year, regular communications are provided to our staff and volunteers, including updates on the Charity's progress. In addition, one of our values is to encourage our staff and volunteers to speak out and express their views and opinions. Staff and volunteer forums are used, as well as engagement surveys and regular all-staff updates. Employee suggestion schemes, webchats with directors and senior managers, and informal opportunities to express views as well as our 'concern at work' email for any anonymous reporting, support the priority for open and transparent engagement at all times. All new employees attend BHF induction events attended by our Chief Executive and members of our Executive Group.

Executive pay

We have a detailed Reward Policy, which sets out our guiding principles for reward at BHF. The remuneration for the Executive Group is set, monitored and reviewed by the Remuneration & People Committee, which is chaired by a senior human resources specialist.

BHF is committed to a policy of equal pay and aims to ensure that salaries reflect the knowledge, skills, behaviours and capabilities required for satisfactory performance in each role whilst also demonstrating appropriate use of charitable donations. Salaries are benchmarked against the voluntary sector and, where appropriate, other relevant job markets. More information on our executive pay policy can be found on our website at:

bhf.org.uk/what-we-do/our-policies/our-statement-on-senior-salaries

An annual pay review was awarded on 1 April 2023. In the financial year 2023-24 our Chief Executive's basic salary was set at £218,400.

Gender and ethnicity pay gap

We're pleased to share that BHF's gender pay gap remains small, although it will naturally reflect year-to-year changes in our team. In 2023 our median gender pay gap remained less than 1% (0.7% in favour of men vs 0.1% in 2022 in favour of women).

We also choose to share our median ethnicity pay gap, noting that it represents a smaller number of colleagues across our various BHF teams. In 2023 the median shows that the gap reduced with colleagues from ethnic minority backgrounds paid 7.4% more than white colleagues (down from 12.2% in 2022).

Creating a more diverse workforce, including at senior leadership level, remains a priority. Some of the key actions we are continuing to implement include: using a gender bias decoder for job advertisements, promoting flexible working, not asking for current salary details, partnering with Rare Recruitment to combat bias at the interview stage, using anonymous CV software, launching an Interview Builder to reduce unconscious bias, and tracking recruitment data to inform future strategies. BHF is also a member of the Tech Talent Charter to promote diversity in technology.

Legal structure and governance

Trustees' indemnity

As permitted by the Articles of Association, each of the Trustees has the benefit of an indemnity which is a qualifying third-party indemnity as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force.

The Company also purchased and maintained throughout the financial year Trustees' and Officers' liability insurance in respect of itself and its Trustees.

Auditors

As a result of tendering the audit during the year, PricewaterhouseCoopers LLP resigned as auditors. The trustees would like to thank PricewaterhouseCoopers LLP for their service as auditors. BDO LLP were successful in the tender and replaced PricewaterhouseCoopers LLP on 5 October 2023. BDO LLP have expressed their willingness to continue to act as auditors.

The Trustees' Report, including the Strategic Report, was approved by the Board of Trustees on 23 July 2024.

Statement of Trustees' responsibilities

The Trustees (who are also directors of the British Heart Foundation for the purposes of company law) are responsible for preparing the Trustees' Report (including the Strategic Report) and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', and applicable law (United Kingdom Generally Accepted Accounting Practice). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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 Statement of Recommended Practice: Accounting and Reporting by Charities (2019),
- make judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, and disclose with reasonable accuracy at any time the financial position of the charitable company and the group, and enable them to ensure that the financial statements comply with the Companies Act 2006/Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and the group, 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 charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Karen Frank

Chair

23 July 2024

Independent auditors' report to the members and Trustees of British Heart Foundation

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Charitable Company's affairs as at 31 March 2024 and of the Group's incoming resources and application of resources and the Parent Charitable Company's 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 Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006, as amended.

We have audited the financial statements of The British Heart Foundation ("the Parent Charitable Company") and its subsidiaries ("the Group") for the year ended 31 March 2024 which comprise the group statement of financial activities (incorporating a group income and expenditure account), the group and charity balance sheets, group statement of cash flows 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, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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 Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Group and the Parent Charitable Company in accordance with the ethical requirements 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.

Conclusions related 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 Group and the Parent Charitable Company'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 auditor's report 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. 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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a

Independent auditors' report to the members and Trustees of British Heart Foundation

material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other Companies Act 2006 reporting

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' Report, which are included in the Trustees' Report, have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Group and the Parent Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatement in the Strategic report or the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- proper and adequate accounting records have not been kept by the Parent Charitable Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Charitable Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' responsibilities, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determines 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 Group's and the Parent Charitable Company'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 Group or the Parent Charitable Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts 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 an auditor's report 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.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our

Independent auditors' report to the members and Trustees of British Heart Foundation

responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Non-compliance with laws and regulations

Based on:

- our understanding of the Group and the sector in which it operates;
- discussion with management and those charged with governance; and
- obtaining and understanding of the Group's policies and procedures regarding compliance with laws and regulations.

We considered the significant laws and regulations to be FRS 102 and the Charities SORP 2019, UK tax legislation, Fundraising Regulations, Charities Act 2011, the Office of the Scottish Charity Regulator and the Companies Act 2006 .

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be the health and safety legislation.

Our procedures in respect of the above included:

- review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- review of terms and conditions of significant contracts;
- review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- enquiry with management, trustees and in-house legal counsel to identify material claims or litigation;
- review of financial statement disclosures and agreeing to supporting documentation;
- involvement of tax specialists in the audit; and
- review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- obtaining an understanding of the Group's policies and procedures relating to:
  - o detecting and responding to the risks of fraud; and
  - o internal controls established to mitigate risks related to fraud.
- review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and
- assessing the design of controls and procedures relevant to the preparation of the financial statements and the detection and prevention of irregularities and fraud.

Based on our risk assessment, we considered the areas most susceptible to fraud to be management override of journals and controls, revenue recognition, valuation of the legacy income accrual and valuation of the grant liability.

Independent auditors' report to the members and Trustees of British Heart Foundation

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- Involvement of forensic specialists in the audit to review instances of fraud and potential higher risk areas of fraud;
- Obtaining independent confirmations of cash and investment balances at the year end and testing management's year end bank reconciliations;
- Assessing significant estimates made by management for bias, including valuation of the legacy accrual and valuation of the grant liability;
- Testing a sample of revenue to supporting documentation; and
- Incorporating unpredictability into our testing approach through amending the nature and extent of audit procedures.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising 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 by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:

https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the Charitable Company's trustees, as a body, in accordance with the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the Charitable Company's members and trustees those matters we are required to state to them in an auditor's 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 Charitable Company, the Charitable Company's members as a body and the Charitable Company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:
Jill Halford
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Jill Halford (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
London, UK

23 July 2024

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Group statement of financial activities for the year ended 31 March 2024

(Incorporating a Group income and expenditure account)
Company reg. number: 699547

		2024			2023		
		Unrestricted funds	**Restricted and endowment funds**	**Total funds**	Unrestricted funds	Restricted and endowment funds	Total funds
		£m	**£m**	**£m**	£m	£m	£m
Income from	Note						
Donations and legacies	2	136.7	9.1	**145.8**	130.8	11.4	142.2
Charitable activities		2.1	–	**2.1**	3.7	–	3.7
Investments		10.3	–	**10.3**	5.9	–	5.9
Other income		0.1	–	**0.1**	0.1	–	0.1
Total fundraising income		149.2	9.1	**158.3**	140.5	11.4	151.9
Expenditure on							
Raising funds: donations and legacies	4	(36.8)	–	**(36.8)**	(32.1)	–	(32.1)
Investment management fees	4	(1.1)	–	**(1.1)**	(0.9)	–	(0.9)
Total fundraising costs		(37.9)	–	**(37.9)**	(33.0)	–	(33.0)
Fundraising contribution		111.3	9.1	**120.4**	107.5	11.4	118.9
Trading income	3	240.6	–	**240.6**	229.4	–	229.4
Trading costs	3/4	(222.6)	–	**(222.6)**	(204.0)	–	(204.0)
Contribution from trading activities		18.0	–	**18.0**	25.4	–	25.4
Net income available for charitable purposes		129.3	9.1	**138.4**	132.9	11.4	144.3
Charitable expenditure							
Research	4	(106.5)	(10.2)	**(116.7)**	(94.2)	(5.2)	(99.4)
Healthcare Innovation	4	(38.5)	(1.0)	**(39.5)**	(33.2)	(0.5)	(33.7)
Total charitable expenditure		(145.0)	(11.2)	**(156.2)**	(127.4)	(5.7)	(133.1)
Net (expenditure)/income before gain/(loss) on investments		(15.7)	(2.1)	**(17.8)**	5.5	5.7	11.2
Represented by							
Total income		389.8	9.1	**398.9**	369.9	11.4	381.3
Total expenditure		(405.5)	(11.2)	**(416.7)**	(364.4)	(5.7)	(370.1)
Net (expenditure)/income before gain/(loss) on investments		(15.7)	(2.1)	**(17.8)**	5.5	5.7	11.2
Net gain/(loss) on investments		30.5	-	**30.5**	(3.3)	-	(3.3)
Net income/(expenditure)		14.8	(2.1)	**12.7**	2.2	5.7	7.9
Other recognised gains/(losses)							
Actuarial gain/(loss) on defined benefit pension scheme	14	–	–	**–**	–	–	–
Net movement in funds		14.8	(2.1)	**12.7**	2.2	5.7	7.9
Reconciliation of funds							
Funds balances brought forward at 1 April	5	102.4	23.2	**125.6**	100.2	17.5	117.7
Total funds carried forward	5	117.2	21.1	**138.3**	102.4	23.2	125.6

There are no recognised gains or losses other than those disclosed above. All results derive from continuing operations. Gross income for the year for the parent charity is £374.6m (2023 restated: £359.5m (note 17)) and gross expenditure is £392.9m (2023: £350.5m). The notes on pages 122 to 144 form an integral part of these financial statements.

Balance sheets as at 31 March 2024

Company reg. number: 699547

		Group		Charity	
		2024	2023	**2024**	2023
Fixed assets	Note	**£m**	£m	**£m**	£m As restated
Tangible assets	6	**32.3**	29.9	**32.3**	29.9
Investments	7	**270.7**	185.8	**270.7**	185.8
Total fixed assets		**303.0**	215.7	**303.0**	215.7
Current assets					
Inventories		**7.6**	8.8	**–**	–
Debtors	8	**133.1**	121.9	**131.9**	120.8
Cash and cash equivalents		**98.0**	129.4	**89.0**	120.5
Total current assets		**238.7**	260.1	**220.9**	241.3
Creditors: amounts falling due within one year					
Research and other grant awards	9	**(119.3)**	(98.0)	**(119.3)**	(98.0)
Other creditors	10	**(41.3)**	(38.2)	**(41.3)**	(36.8)
Total current liabilities		**(160.6)**	(136.2)	**(160.6)**	(134.8)
Net current assets		**78.1**	123.9	**60.3**	106.5
Total assets less current liabilities		**381.1**	339.6	**363.3**	322.2
Creditors: amounts falling due after more than one year					
Finance lease creditor		**(1.3)**	(0.8)	**(1.3)**	(0.8)
Research and other grant awards	9	**(237.8)**	(209.1)	**(237.8)**	(209.1)
Total Creditors: amounts falling due after more than one year		**(239.1)**	(209.9)	**(239.1)**	209.9
Provision for liabilities and charges	11	**(3.7)**	(4.1)	**(3.7)**	(4.1)
Net assets excluding pension liability		**138.3**	125.6	**120.5**	108.2
Defined benefit pension liability	14	**–**	–	**–**	–
Net assets including pension liability		**138.3**	125.6	**120.5**	108.2
Represented by:					
Endowment funds	5	**7.5**	7.5	**7.5**	7.5
Restricted income funds	5	**13.6**	15.7	**13.6**	15.7
Unrestricted funds					
General funds	5	**117.2**	102.4	**99.4**	85.0
Pension reserve	14	**–**	–	**–**	–
Total unrestricted funds		**117.2**	102.4	**99.4**	85.0
Total funds		**138.3**	125.6	**120.5**	108.2

The balance sheet was restated to de-recognise the distribution receivable asset previously recorded, see note 17. The Charity's net movement in funds for the year was an increase of £12.3m (2023 as restated: increase of £5.7m). The financial statements on pages 119 to 144 were approved by the Board of Trustees on 23 July 2024, and signed on its behalf by:

Members of the Board of Trustees

Karen Frank
Chair

Mark FitzPatrick
Chair of the Audit & Risk Committee

The notes on pages 122 to 144 form an integral part of these financial statements.

Group statement of cash flows for the year ended 31 March 2024

	2024 £m	2023 £m As restated
Cash flows from operating activities		
Net cash flow from operating activities	**24.8**	35.6
Cash flows from investing activities		
Investment income	**5.2**	2.8
Purchase of investments	**(75.0)**	(35.0)
Proceeds from sale of investments	**24.6**	7.4
Purchase of tangible fixed assets	**(10.9)**	(8.1)
Proceeds from sale of tangible fixed assets	**0.6**	0.1
Net cash (outflow) from investing activities	**(55.5)**	(32.8)
Cashflow from financing activities		
Repayment of obligation under finance leases	**(0.7)**	(0.4)
Net (decrease)/increase in cash and cash equivalents	**(31.4)**	2.4
Cash and cash equivalents at 1 April	**129.4**	127.0
Cash and cash equivalents at 31 March	**98.0**	129.4
Reconciliation of net cash flow from operating activities		
Net income	**12.7**	7.9
Add/(less):		
Depreciation	**9.6**	9.4
Increase in provision for impairment of fixed assets	**0.1**	0.1
(Gain)/loss on disposal of fixed assets	**(0.3)**	0.1
Investment income	**(10.3)**	(5.9)
Net (gain)/loss on investments	**(30.5)**	3.3
Decrease/(increase) in inventories	**1.2**	(2.8)
(Increase) in debtors	**(10.1)**	(10.3)
Increase in creditors	**2.8**	8.8
(Decrease) in provisions for liabilities and charges	**(0.4)**	(0.1)
Increase in grant liability	**50.0**	25.1
Net cash outflow from operating activities	**24.8**	35.6

The cash flow was restated following a revision of fixed asset investments additions and disposals, see note 17. The notes on pages 122 to 144 form an integral part of these financial statements.

Analysis of changes in Debt

	At 1 April 23	Cash Flows	New Finance Leases	**As at 31 March 2024**
	£m	£m	£m	**£m**
Cash and Cash Equivalents				
Cash	17.8	3.7	–	**21.5**
Short term Deposits	111.6	(35.1)	–	**76.5**
Cash and Cash Equivalents	129.4	(31.4)	–	**98.0**
Borrowings				
Finance Leases	(1.3)	0.7	(1.5)	**(2.1)**
Total	**128.1**	**(30.7)**	**(1.5)**	**95.9**

The notes on pages 122 to 142 form an integral part of these financial statements.

Notes to the accounts

1. Accounting policies

Statement of compliance

The Group and Charity financial statements have been prepared in accordance with the Statement of Recommended Practice: 'Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)' (SORP) and the 'Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' (FRS 102). They also comply with the reporting requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and the Charities Act 2011. BHF constitutes a public benefit entity as defined by FRS 102.

Basis of preparation

The Group and Charity financial statements have been prepared on a going concern basis (see below), under the historical cost convention, as modified by the revaluation of listed investments. The principal accounting policies applied in the preparation of the Group and Charity financial statements are set out below. These policies have been consistently applied to all the years presented.

Going concern

In determining the appropriate basis of preparation of the financial statements for the year ended 31 March 2024, the Trustees are required to consider whether BHF can continue in operational existence for the foreseeable future.

The Trustees have reviewed our financial position and financial forecasts, taking into account the levels of investment reserves and cash, and the systems of financial control and risk management. As a result of this review, the Trustees believe that there are no material uncertainties that could cast significant doubt over their ability to continue as a going concern and that we are well placed to manage operational and financial risks successfully. Accordingly, the Trustees have a reasonable expectation that the Charity and the Group have adequate resources to continue in operational existence for the foreseeable future, being a period of at least 12 months from the approval of the financial statements. As a consequence, they continue to support the going concern basis in accounting in preparing the annual accounts.

Reporting period

The financial statements for the year ended 31 March 2024 incorporate the trading results of our Retail operations for the 53 week period ended 30 March 2024 (2023: 52 week period ended 25 March 2023).

Basis of consolidation

The financial statements of BHF and its subsidiary companies are consolidated, on a line-by-line basis, to produce the Group financial statements. The consolidated entity is referred to as 'the Group'. The Charity has taken advantage of the exemption in section 408 of the Companies Act from disclosing its individual statement of financial activities.

Statement of cash flows

The Charity has taken advantage of the exemption in FRS 102 from preparing a statement of cash flows, on the basis that it is a qualifying entity and the Group statement of cash flows included in these financial statements includes the cash flows of the Charity.

Income

Income is recognised and included in the statement of financial activities when the Group has entitlement to the income, it is probable that the income will be received and the amount can be measured reliably. Income received relating to future accounting periods is deferred and recognised as a creditor within the balance sheet.

- **donations** are recognised when income has been received. Gift Aid income on donations is accrued when there is a valid declaration from the donor
- **retail income** is recognised at point of sale. Goods donated for sale are included as income at the point of sale. Gift Aid income claimed under the Retail Gift Aid scheme is estimated and accrued at the point of sale
- **legacy income** is recognised in the statement of financial activities when BHF has entitlement to the income, receipt is probable and the income can be reliably measured. For the majority of legacies, entitlement is determined when probate has been granted. Where BHF has been notified of a legacy but probate information is not available or probate is not required to execute an estate, our entitlement is estimated with consideration to the date we are notified of the legacy, our history of similar legacies and any other information available for a specific estate. Revisionary interests involving a life tenant are not recognised unless the life tenant has passed away. Income is estimated based on the best available information at the time. Where estate accounts or notification of expected income have not been received for an estate, income is estimated using a portfolio approach based on historical experience of income from similar legacies
- for **event income**, entitlement is counted at the date of the event. Where income is received in advance, recognition is deferred and included in creditors and where entitlement arises before income is received, the income is accrued
- income from **government grants**, is recognised when the Charity has entitlement to the funds and any performance conditions attached to the grants have been met

Notes to the accounts

- **investment income:** interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity. Dividends are recognised once the dividend has been declared and the right to receive payment has been established
- **gifts in kind and donated services** are included in income and expenditure, if a value can be reliably measured, at the estimated value to the Charity. In accordance with the Charities SORP (FRS 102), no amounts are included in the financial statements for services donated by volunteers, including professional services provided directly by volunteers.

Expenditure

Expenditure is recognised when there is a legal or constructive obligation committing the Group to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- **costs of raising funds** (donations and legacies) comprise costs incurred in generating donation and legacy income, including fundraising staff costs and fundraising marketing costs
- **trading costs** comprise costs associated with operating our Retail operations together with costs of running trading activities conducted to generate fundraising income, such as events and lottery costs
- **charitable expenditure** includes costs of grant awards and other costs incurred towards achieving BHF's charitable objectives. Grant expenditure is recognised in the year of award and when communicated to the recipient in line with the SORP (see 'awards' for more detail on individual grant types).

Direct costs, including directly attributable salaries, are allocated on an actual basis to each expenditure heading.

Shared costs are allocated, where appropriate, across different expenditure headings.

Governance costs relate to the management of BHF's assets, organisational administration and compliance with constitutional and statutory requirements. Support costs are costs incurred which are not directly attributable to our charitable, fundraising or retail activities, including for example head-office finance, human resources and legal costs. Governance and support costs have been allocated to expenditure headings on a basis relevant to the nature of the underlying cost, including headcount, time spent or in proportion to resources used.

Costs arising from service contracts to use cloud-based software are recognised as an expense in the Statement of Financial Activities.

Irrecoverable VAT is included within the expense items to which it relates.

Awards

Grants awarded are included within charitable expenditure when the award of the grant has been communicated to the recipient.

Grants awarded are commitments by BHF to reimburse grant recipients for expenditure incurred, up to the value of the grant award. Grant payments are made to recipients retrospectively when invoiced by the recipient and when supporting evidence of costs incurred has been provided. To calculate the grants award liability, the timing and value of grant payments is estimated using a portfolio approach based on historical experience of similar grant awards. The expected underspend against award value reflected within the grant liability range from zero to 15.3% of award value and at 31 March 2024 reflects 5.2% (2023: 5.9%) of the grant award value for open grants.

All grant liabilities in excess of one year are discounted to net present value. The discount rate used to determine the net present value is calculated with reference to UK Gilt yields at the balance sheet date, weighted to reflect the expected phasing of future grant payments. The discount rate applied at 31 March 2024 was 3.15% (2023: 3.65%).

Chairs of BHF Professors

Awards are subject to a quinquennial site visit and review. For new chairs, an initial five-year award is recognised in the financial statements, with a further five years disclosed as a contingent liability and recognised as a liability in the financial statements only on satisfactory completion of the quinquennial site visit and review. For chairs awarded before this policy changed, a contingent liability is recognised from the end of the current five-year award up to the date of retirement.

Programme grants

Awards run initially for five years with a two-and-a-half-year review and can be extended for a further period of five years subject to Committee approval. On the basis of experience, it is assumed that the overwhelming majority of applicants will be successful at the mid-term review and therefore a liability is recognised in the financial statements for expected future payments required to settle BHF's five year commitment.

Other Research grants

Where grants are conditional upon the successful achievement of project milestones the total award value is disclosed as a contingent liability and expected payments to the next milestone performance review are recognised as a grant liability in the financial statements. For unconditional grants, a liability is recognised in the financial statements for expected future payments required to settle grant awards.

Notes to the accounts

Healthcare Innovation grants

Grants are made in furtherance of BHF's objective to work with patients and the public for better health and care. On award of a grant, a liability is recognised in the financial statements for the expected future payments required to settle the grant award.

Fund accounting

Unrestricted funds comprise funds that are available for use at the Trustees' discretion in furtherance of BHF's objectives. Restricted funds are subject to restrictions imposed by the donor. Endowment funds, which are permanent, represent amounts for which the capital must be retained and invested. Restricted and endowment funds assets are held as cash and cash equivalent until expenditure is incurred.

Tangible fixed assets

Tangible assets are stated at cost which includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is calculated on a straight line basis. The costs of fixed assets are written off over their estimated useful lives at the following rates:

Freehold property:
over 50 years

Short leasehold property:
over the life of the lease

Shop fittings:
over 7 years

Plant, equipment and vehicles:
over 3–4 years

IT equipment and software:
over 3–5 years.

BHF only capitalises items costing more than £1,000. However, if components of equipment (e.g. office furnishings or personal computers) are acquired with individual unit costs below the capitalisation threshold but with collective costs exceeding £1,000 and anticipated asset lives in excess of two years, then these groups of assets are collectively capitalised at the time of purchase. The holding values and estimated useful lives of assets are regularly reviewed for impairment and where deemed appropriate, are written down.

Investments

Investments are a form of basic financial instrument and are initially recognised at transaction value and subsequently measured at fair value as at the balance sheet date using the closing market bid price.

The statement of financial activities includes the net unrealised gains and losses arising on revaluation and realised gains and losses arising from disposals throughout the year. Realised gains and losses are calculated as the difference between sale proceeds and the opening carrying value or the purchase value if acquired in the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and the opening carrying value or purchase value if acquired in the financial year.

Foreign currency

Foreign currency transactions are recorded at the exchange rate at the time of the transaction. Foreign currency balances are translated into sterling at the exchange rate at the balance sheet date. Resulting gains or losses are included in the statement of financial activities.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, cash held in current accounts with UK banks and readily realisable short term fixed interest investments managed on behalf of BHF by Royal London Asset Management Limited.

Inventories

Inventories purchased for sale are valued on a weighted average cost basis and carried at the lower of cost and net realisable value. Provision is made to reduce carrying values to net realisable value for slow moving, obsolete and defective stock. The provision at 31 March 2024 was £0.3m (2023: £0.2m). Inventories does not include goods donated for sale as it is impractical to measure the fair value of these donated items reliably.

Pension costs

BHF's defined benefit scheme was closed to future accrual on 31 May 2016. BHF employee costs include the net pension finance income or costs, together with the expenses of running the Scheme. Actuarial gains and losses are recognised immediately on the face of the statement of financial activities. Where the pension scheme valuation shows a net deficit, this is reported separately on the face of the balance sheet and within reserves. Where the valuation shows a net surplus, an asset ceiling is applied to the extent that future economic benefits are not available to the Charity in the form of a reduction in future contributions or a cash refund. The detailed assumptions relating to the valuation of the defined benefit scheme can be found in note 14.

For defined contribution schemes, the amount charged to the statement of financial activities for pension costs is the total contributions payable in the year. This amount is allocated to expenditure headings and funds on the same basis as staff costs, reflecting the activities performed by staff.

Notes to the accounts

Operating leases

Rents payable under operating leases are charged to the statement of financial activities on a straightline basis over the lease term. Benefits received as a lease incentive are credited to the statement of financial activities, to reduce the lease expense, on a straight-line basis over the lease term.

Finance leases

A lease is classified as a finance lease if it transfers substantially all of the risks and rewards of ownership of the leased asset to the Group. Assets acquired under finance leases are reported within fixed assets and are capitalised when acquired at fair value or, if lower, at the present value of the minimum lease payments.

These assets are subsequently depreciated over the shorter of the estimated useful economic life of the asset or the lease term. The payment obligations arising from the future lease payments are discounted and recorded as a liability in the balance sheet.

Taxation

As a registered charity BHF is entitled to certain exemptions from corporation tax on profits from investments and any trading activities carried on in furtherance of the Charity's primary objectives.

The subsidiary companies make qualifying donations of all taxable profits to BHF and thus do not incur corporation tax. Costs are recorded net of recoverable VAT as the Group is able to reclaim a proportion of VAT paid, because of its trading activities, using the partial exemption method.

Significant areas of estimation and judgement

The preparation of the financial statements requires judgements, estimations and assumptions to be made that affect the reported values of assets, liabilities, revenues and expenses. The nature of estimation and judgement means that actual outcomes could differ from expectation.

Critical accounting judgements

In the event that the FRS 102 valuation of the defined benefit pension scheme identifies a net surplus, judgement is applied regarding the extent to which any such surplus is available to BHF in the form of a reduction in future contributions or a cash refund. Where such a surplus is not deemed available to BHF, an asset ceiling is applied, as further discussed in note 14.

Sources of estimation uncertainty

- accrued legacy income is estimated based on the best information available at the balance sheet date. Historical average legacy income is used to provide an estimated valuation where no specific information is available. An increase/(decrease) to the average legacy value of 5% would result in an increase/ (decrease) to accrued legacy income of £0.4m (0.4%). In calculating the accrued value of each estate we apply an estimated deduction of 5% to reflect the costs and uncertainty of administering the estate. An increase/(decrease) of 1% to the provision for legacy administration would result in an (decrease)/increase to accrued legacy income of £1.0m (0.9%)
- grant liabilities are estimated based on expected future cash flows and the expected utilisation against original award values, calculated based on historical grant payment profiles and utilisation rates. Amounts falling due after more than one year are then discounted based on expected future cash flows. A 1% increase/(decrease) to the utilisation rate applied to grant awards would result in a £4.1m (1.2%) increase/(decrease) in the liability for research and other grant awards. A 1% increase/ (decrease) to the discount rate used would result in a £5.0m (1.4%) decrease/(increase) in the liability for research and other grant awards
- BHF recognises and discloses its defined benefit pension obligation in accordance with 'FRS 102– Employee Benefits'. The valuation, prepared by a qualified actuary, reflects a number of judgements and estimations including the expected return on assets, the discount rate, cost inflation and life expectancy. Changes in these assumptions have a significant effect on the value of the defined benefit pension obligation. A 0.5% increase/ (decrease) to the discount rate used would result in a £2.6m (7.0%) decrease/£3.0m (8.0%) increase in the defined benefit obligation. A 0.5% increase/(decrease) to the rate of inflation used would result in a £1.1m (3.0%) increase/£0.7m (2.0%) (decrease) in the defined benefit obligation
- provisions for liabilities and charges (see note 11) represents the best estimate of the liability at the balance sheet date of future unavoidable lease costs in respect of loss-making stores and an estimate of the probable future costs of restoring rented properties to their required condition at the ultimate expiry of the lease. The actual liability will be dependent on future events including whether a relevant property lease is renewed on expiry. Expectations are revised at each period end until the actual liability arises, with any difference accounted for in the period in which revision is made.

Notes to the accounts

2. Donations and legacies

	Unrestricted fund £m	Restricted fund £m	2024 Total funds £m
Legacies	**99.8**	**1.6**	**101.4**
Donations	**26.3**	**7.4**	**33.7**
Donations received in BHF Shops	**3.6**	**–**	**3.6**
Volunteer fundraising	**7.0**	**0.1**	**7.1**
Total income from donations and legacies	**136.7**	**9.1**	**145.8**

	Unrestricted fund £m	Restricted fund £m	2023 Total funds £m
Legacies	93.8	1.2	95.0
Donations	19.2	10.1	29.3
Donations received in BHF Shops	3.3	–	3.3
Volunteer fundraising	14.5	0.1	14.6
Total income from donations and legacies	130.8	11.4	142.2

The Charity has received notification of 383 legacies (2023: 377) with an estimated value of £12.2m (2023: £10.9m) which are not included in legacy income. This includes legacies which are subject to a life interest, legacies which have not yet been granted probate, and contentious legacies.

Notes to the accounts

3. Trading activities

	Income/direct costs £m	Support cost allocation £m	2024 Total £m
Retail income*	**233.7**	**–**	**233.7**
Retail costs	**(213.1)**	**(5.4)**	**(218.5)**
Retail net profit	**20.6**	**(5.4)**	**15.2**
Income from fundraising trading activities	**6.9**	**–**	**6.9**
Costs of fundraising trading	**(4.1)**	**–**	**(4.1)**
Net fundraising trading income	**2.8**	**–**	**2.8**
Contribution from trading activities	**23.4**	**(5.4)**	**18.0**
Represented by:			
Total trading income	**240.6**	**–**	**240.6**
Total trading costs	**(217.2)**	**(5.4)**	**(222.6)**
Contribution from trading activities	**23.4**	**(5.4)**	**18.0**

	Income/direct costs	Support cost allocation	2023 Total
Retail income*	222.3	–	222.3
Retail costs	(195.2)	(5.5)	(200.7)
Retail net profit	27.1	(5.5)	21.6
Income from fundraising trading activities	7.1	–	7.1
Costs of fundraising trading	(3.3)	–	(3.3)
Net fundraising trading income	3.8	–	3.8
Contribution from trading activities	30.9	(5.5)	25.4
Represented by:			
Total trading income	229.4	–	229.4
Total trading costs	(198.5)	(5.5)	(204.0)
Contribution from trading activities	30.9	(5.5)	25.4

***2024 includes income of £63.5m (2023: £59.7m) representing donations from our supporters on which Gift Aid has been claimed from sale of goods through the Retail Gift Aid Programme.**

Notes to the accounts

4. Gross expenditure

	Awards (note 9) £m	Staff costs £m	Other costs £m	Support costs allocated £m	Total 2024 £m
Expenditure on raising funds					
Costs of raising funds	**–**	**16.4**	**12.5**	**7.9**	**36.8**
Investment management fees	**–**	**–**	**1.1**	**–**	**1.1**
Total fundraising costs	**–**	**16.4**	**13.6**	**7.9**	**37.9**
Expenditure on trading activities					
Retail costs	**–**	**78.4**	**134.7**	**5.4**	**218.5**
Other trading costs	**–**	**–**	**4.1**	**–**	**4.1**
Total trading costs	**–**	**78.4**	**138.8**	**5.4**	**222.6**
Expenditure on charitable activities					
Research	**113.7**	**1.5**	**0.5**	**1.0**	**116.7**
Healthcare Innovation	**1.6**	**7.3**	**24.4**	**6.2**	**39.5**
Total charitable expenditure	**115.3**	**8.8**	**24.9**	**7.2**	**156.2**
Support cost allocated	**–**	**18.7**	**1.8**	**(20.5)**	**–**
Total expenditure	**115.3**	**122.3**	**179.1**	**–**	**416.7**

	Awards (note 9) £m	Staff costs £m	Other costs £m	Support costs allocated £m	Total 2023 £m
Expenditure on raising funds					
Costs of raising funds	–	14.9	12.6	4.6	32.1
Investment management fees	–	–	0.9	–	0.9
Total fundraising costs	–	14.9	13.5	4.6	33.0
Expenditure on trading activities					
Retail costs	–	71.6	123.6	5.5	200.7
Other trading costs	–	–	3.3	–	3.3
Total trading costs	–	71.6	126.9	5.5	204.0
Expenditure on charitable activities					
Research	96.3	1.4	0.7	1.0	99.4
Healthcare Innovation	1.1	8.0	19.7	4.9	33.7
Total charitable expenditure	97.4	9.4	20.4	5.9	133.1
Support cost allocated	–	15.1	0.9	(16.0)	–
Total expenditure	97.4	111.0	161.7	–	370.1

Support costs included in gross expenditure
BHF adopts a policy of allocating costs to the respective cost headings throughout the year, and this allocation includes support costs where they are directly attributable.

Support costs are allocated to activities on a basis relevant to the nature of the underlying cost, including headcount, time spent or in proportion to resources used.

Notes to the accounts

4. Gross expenditure (continued)

Analysis of support costs	Fundraising	Trading	Charitable expenditure		Total 2024
			Research	Healthcare Innovation	
	£m	£m	£m	£m	£m
CEO, strategy and legal	**0.6**	**0.3**	**0.2**	**0.5**	**1.6**
Information technology	**4.1**	**1.7**	**0.4**	**3.4**	**9.6**
Finance, risk and procurement	**1.4**	**1.4**	**0.2**	**0.7**	**3.7**
Human resources	**1.4**	**1.8**	**0.2**	**1.3**	**4.7**
Facilities management	**0.2**	**–**	**–**	**0.2**	**0.4**
Governance costs	**0.2**	**0.2**	**–**	**0.1**	**0.5**
Total Support Costs	**7.9**	**5.4**	**1.0**	**6.2**	**20.5**

	Fundraising	Trading	Charitable expenditure		Total 2023
			Research	Healthcare Innovation	
	£m	£m	£m	£m	£m
CEO, strategy and legal	0.4	0.3	0.1	0.5	1.3
Information technology	1.5	3.4	0.3	1.7	6.9
Finance, risk and procurement	1.0	0.9	0.2	0.8	2.9
Human resources	1.5	0.6	0.4	1.7	4.2
Facilities management	0.1	0.1	–	0.1	0.3
Governance costs	0.1	0.2	–	0.1	0.4
Total Support Costs	4.6	5.5	1.0	4.9	16.0

Support costs are made up of:	**2024 £m**	2023 £m
Staff costs	**18.7**	15.1
Other costs	**1.8**	0.9
Total Support Costs	**20.5**	16.0

Notes to the accounts

4. Gross expenditure (continued)

Gross expenditure for the year is stated after charging/(crediting):	**2024**	2023
	£m	£m
Operating lease rentals (land and buildings)	**26.1**	25.9
(Gain)/loss on disposal of fixed assets	**(0.3)**	0.1
Depreciation charge for the year	**9.6**	9.4
Provision for impairment	**0.1**	0.1
Auditors' remuneration(*):		
Audit fee	**0.2**	0.1
Non audit services	**0.1**	0.4

*BDO LLP replaced the previous auditors PricewaterhouseCoopers LLP on 5 October 2023.

Auditors' remuneration in 2023-2024 relating to BDO LLP comprises £154,875 for the audit of the charity and £39,375 for the audit of subsidiary undertakings. In addition, £69,686 was incurred for tax advisory services.

Auditors remuneration in 2022-23 relating to PricewaterhouseCoopers LLP was £107,658 for the audit of the charity and £33,754 for the audit of subsidiary undertakings. In addition £11,750 was incurred in respect of the British Heart Foundation Staff Pension Scheme and £420,000 in respect of non-audit services (technology consultancy). All numbers exclude VAT.

Staff and Trustee information	**2024**	2023
Staff costs	**£m**	£m
Wages and salaries	**103.9**	94.6
Social security costs	**9.0**	8.5
Pension costs (see note 14)	**5.9**	5.2
Other benefits	**1.1**	0.8
Other staff costs	**2.4**	1.9
Total staff costs	**122.3**	111.0

Wages and salaries include redundancy costs of £0.4m (2023: £0.4m) arising from restructuring activities completed during the year. Redundancy costs are recognised and accrued when the employee has been notified of the planned redundancy.

All staff are employed by BHF. The average number of staff, employed in the year, was:	**2024**	2023
Head office	**696**	642
Regions	**73**	74
Shops	**3,552**	3,475
Total number of staff	**4,321**	4,191
Reflecting:		
Full time staff	**2,486**	2,438
Part time staff	**1,835**	1,753
Total number of staff	**4,321**	4,191
Full time equivalent average headcount	**3,632**	3,409

The following numbers of staff have emoluments above £60,000:	**2024**	2023
Between £60,000-£70,000	**65**	52
Between £70,001-£80,000	**39**	26
Between £80,001-£90,000	**20**	13
Between £90,001-£100,000	**11**	15
Between £100,001-£110,000	**7**	1
Between £110,001-£120,000	**1**	1
Between £120,001-£130,000	**–**	–
Between £130,001-£140,000	**1**	2
Between £140,001-£150,000	**1**	1
Between £150,001-£160,000	**–**	–
Between £160,001-£170,000	**2**	2
Between £170,001-£180,000	**1**	–
Between £180,001-£190,000	**–**	–
Between £190,001 - £200,000	**1**	1
Between £200,000 - £210,000	**–**	–
Between £210,001 - £220,000	**1**	1

The key management personnel of BHF are the members of the Executive Group, further details of the membership and function of which is provided on page 111. The total employee benefits of the Executive Group in the year was £1.3m (2023: £1.2m).

Trustee costs: no Trustees received any remuneration for services as members of the Board of Trustees and two Trustees (2023: three Trustees) were reimbursed for travelling expenses to and from meetings at a cost of £226 (2023: £1,216). As permitted in the Articles of Association, Trustee indemnity insurance was purchased at a total cost of £22,792 (2023: £20,720).Total Donations from Trustees amounted to £39,000 (2023 £102,916).

Notes to the accounts

5. Statement of funds

	Note	Balance 1 April 2023 £m As restated	Income £m	Expenditure £m	Net investment gain £m	Actuarial gain £m	Balance 31 March 2024 £m
Endowment funds (Group and Charity):							
Chair endowment trusts	a	7.1	–	–	–	–	7.1
G M Yule bequest	b	0.1	–	–	–	–	0.1
Dr John A Gordon memorial trust	c	0.3	–	–	–	–	0.3
Total endowment funds		7.5	–	–	–	–	7.5
Restricted funds (Group and Charity)							
Research	d	5.8	4.8	(3.3)	–	–	7.3
Healthcare Innovation	e	0.4	0.8	(1.0)	–	–	0.2
Unallocated legacies	f	1.6	0.5	(0.8)	–	–	1.3
Oxford IDRM	g	2.4	0.1	–	–	–	2.5
Regenerative medicine	h	1.8	0.9	(2.0)	–	–	0.7
UK Government Covid-19 Medical Research Charity Support Fund	i	3.7	2.0	(4.1)	–	–	1.6
Total restricted funds		15.7	9.1	(11.2)	–	–	13.6
Unrestricted funds (Group)		102.4	389.8	(405.5)	30.5	–	117.2
Unrestricted funds (Charity)		85.0	365.5	(381.7)	30.5	–	99.3
Total Group funds		125.6	398.9	(416.7)	30.5	–	138.3
Total Charity funds		108.2	374.6	(392.9)	30.5	–	120.4

Notes to the accounts

5. Statement of funds (continued)

	Note	Balance 1 April 2022 £m As restated	Income £m	Expenditure £m	Net investment gain £m	Actuarial gain £m	Balance 31 March 2023 £m
Endowment funds (Group and Charity):							
Chair endowment trusts	a	7.1	–	–	–	–	7.1
G M Yule bequest	b	0.1	–	–	–	–	0.1
Dr John A Gordon memorial trust	c	0.3	–	–	–	–	0.3
Total endowment funds		7.5	–	–	–	–	7.5
Restricted funds (Group and Charity)							
Research	d	4.2	3.9	(2.3)	–	–	5.8
Healthcare Innovation	e	0.6	0.3	(0.5)	–	–	0.4
Unallocated legacies	f	2.7	0.6	(1.7)	–	–	1.6
Oxford IDRM	g	2.4	–	–	–	–	2.4
Regenerative medicine	h	0.1	2.9	(1.2)	–	–	1.8
UK Government Covid-19 Medical Research Charity Support Fund	i	–	3.7	–	–	–	3.7
Total restricted funds		10.0	11.4	(5.7)	–	–	15.7
Unrestricted funds (Group)		100.2	369.9	(364.4)	(3.3)	–	102.4
Unrestricted funds (Charity)		85.0	348.1	(344.8)	(3.3)	–	85.0
Total Group funds		117.7	381.3	(370.1)	(3.3)	–	125.6
Total Charity funds		102.5	359.5	(350.5)	(3.3)	–	108.2

Notes

a. The Chair endowment trusts represent permanent endowments returned to BHF by certain universities (see below). The interest earned on the money held is restricted and expended on BHF's Chairs of Cardiovascular Medicine.

b. Income from the G M Yule bequest is available for the general activities of the charity.

c. Income from the Dr John A Gordon memorial trust fund is restricted to expenditure on Healthcare Innovation activities.

d. Income where the donor has specified that the donation should be expended on BHF's research activities.

e. Income where the donor has specified that the donation should be expended on BHF's Healthcare Innovation activities.

f. Restricted legacy donations are received for both research and Healthcare Innovation. In some cases we are unable to distribute funds fully according to the specific terms of the bequest in the year of receipt and expenditure takes place in future years.

g. Income towards BHF's research activities at the Institute of Developmental and Regenerative Medicine (IDRM), based at Oxford University, a world-leading centre for stem cell technology.

h. Includes income from the London Marathon (October) 2022 restricted fundraising appeal, and the Mending Broken Hearts ("MBH") 50th anniversary appeal, expended on BHF's regenerative medicine research activites.

i. Income from the UK Government to protect the pipeline of early career researchers supported by BHF.

Endowment of Chairs of BHF Professors

BHF has 26 Chairs (also known as BHF Professors) as at 31 March 2024. Of this number, 3 universities hold endowments and 6 previously returned endowments are held on BHF balance sheet as permanent endowment funds with the income being used to part fund the ongoing cost of the chairs.

Notes to the accounts

5. Statement of funds (continued)

Analysis of Group net assets between funds	Unrestricted funds £m	Restricted funds £m	Endowment funds £m	**Total £m**
Tangible fixed assets	32.3	–	–	**32.3**
Investments	270.7	–	–	**270.7**
Current assets	217.6	13.6	7.5	**238.7**
Current liabilities	(160.6)	–	–	**(160.6)**
Long-term liabilities	(242.8)	–	–	**(242.8)**
Total net assets as at 31 March 2024	**117.2**	**13.6**	**7.5**	**138.3**

Analysis of Charity net assets between funds	Unrestricted funds £m	Restricted funds £m	Endowment funds £m	**Total £m**
Tangible fixed assets	32.3	–	–	**32.3**
Investments	270.7	–	–	**270.7**
Current assets	199.8	13.6	7.5	**220.9**
Current liabilities	(160.6)	–	–	**(160.6)**
Long-term liabilities	(242.8)	–	–	**(242.8)**
Total net assets as at 31 March 2024	**103.1**	**13.6**	**7.5**	**120.5**

Analysis of Group net assets between funds	Unrestricted funds £m	Restricted funds £m	Endowment funds £m	Total £m
Tangible fixed assets	29.9	–	–	29.9
Investments	185.8	–	–	185.8
Current assets	236.9	15.7	7.5	260.1
Current liabilities	(136.2)	–	–	(136.2)
Long-term liabilities	(214.0)	–	–	(214.0)
Total net assets as at 31 March 2023	102.4	15.7	7.5	125.6

Analysis of Charity net assets between funds	Unrestricted funds £m As restated	Restricted funds £m	Endowment funds £m	Total £m As restated
Tangible fixed assets	29.9	–	–	29.9
Investments	185.8	–	–	185.8
Current assets	218.1	15.7	7.5	241.3
Current liabilities	(134.8)	–	–	(134.8)
Long-term liabilities	(214.0)	–	–	(214.0)
Total net assets as at 31 March 2023	85.0	15.7	7.5	108.2

The statement of funds was restated to de-recognise the distribution receivable asset previously recorded, see note 17.

Notes to the accounts

6. Tangible fixed assets

Group and Charity

	Freehold property £m	Short leasehold property £m	Shop fixture and fittings £m	Vehicles £m	Furniture and equipment £m	IT equipment and software £m	Assets under construction £m	**Total £m**
Cost								
At 1 April 2022	2.4	35.1	29.5	1.7	11.8	34.9	1.5	**116.9**
Transfers	–	–	–	–	–	1.1	(1.1)	**–**
Additions	–	1.1	3.4	0.4	0.4	0.3	3.2	**8.8**
Disposals	–	(0.9)	(0.9)	(0.3)	(0.2)	(7.2)	–	**(9.5)**
At 31 March 2023	2.4	35.3	32.0	1.8	12.0	29.1	3.6	**116.2**
Transfers	–	–	–	–	(0.1)	6.0	(5.9)	**–**
Additions	–	3.5	3.4	1.3	0.9	0.2	3.1	**12.4**
Disposals	–	(1.2)	(0.8)	(1.4)	(0.2)	(0.9)	–	**(4.5)**
At 31 March 2024	2.4	37.6	34.6	1.7	12.6	34.4	0.8	**124.1**
Accumulated depreciation								
At 1 April 2022	0.6	24.3	24.6	1.4	11.1	24.1	–	**86.1**
Depreciation charge	–	2.2	1.9	0.2	0.5	4.6	–	**9.4**
Provision for impairment	–	0.1	–	–	–	–	–	**0.1**
Disposals	–	(0.8)	(0.9)	(0.2)	(0.2)	(7.2)	–	**(9.3)**
At 31 March 2023	0.6	25.8	25.6	1.4	11.4	21.5	–	**86.3**
Depreciation charge	–	2.1	1.8	0.3	0.4	5.0	–	**9.6**
Provision for impairment	–	0.1	–	–	–	–	–	**0.1**
Disposals	–	(1.0)	(0.7)	(1.4)	(0.2)	(0.9)	–	**(4.2)**
At 31 March 2024	0.6	27.0	26.7	0.3	11.6	25.6	–	**91.8**
Net book values								
At 31 March 2024	**1.8**	**10.6**	**7.9**	**1.4**	**1.0**	**8.8**	**0.8**	**32.3**
At 31 March 2023	1.8	9.5	6.4	0.4	0.6	7.6	3.6	29.9

The net carrying amount of assets held under finance leases included in IT equipment and software is £0.7m (2023: £1.0m) and vehicles is £1.4m (2023: £0.3m).

There are no future capital expenditure commitments on specific projects for the Group (2023: £nil).

Notes to the accounts

7. Investments

Group and Charity	2024 £m	2023 £m
Analysis of movement		
Market value at 1 April	**185.8**	158.8
Purchase of investments at cost	**194.6**	113.4
Disposal Proceeds	**(140.2)**	(83.1)
	240.2	189.1
Net gain/(loss) on investments	**30.5**	(3.3)
Market value at 31 March	**270.7**	185.8
Original cost	**228.5**	165.5
Represented by		
Listed investments: equities	**151.6**	135.4
Short-dated corporate bonds	**116.0**	48.6
Cash held for investment purposes	**3.1**	1.8
Total investments at 31 March	**270.7**	185.8

Listed investments include overseas investments of £148.3m (2023: £127.0m).

No material shareholdings were held by the Charity in any one company. The Trustees consider the value of investments to be supported by their underlying assets, as appropriate.

The Charity holds 100 per cent shareholdings in the two (2023: two) subsidiary undertakings within the Group; these are valued at cost of £5 (see note 13). For investments sold during the financial year, the realised gain against historic cost was £8.5m (2023: £10.9m)

8. Debtors

	Group		Charity	
	2024 £m	2023 £m	**2024 £m**	2023 £m
				As restated
Amount owed by subsidiary undertakings	**–**	–	**–**	0.1
Other debtors	**5.1**	8.6	**4.1**	7.4
Tax recoverable	**5.3**	3.0	**5.3**	3.0
Prepayments	**11.5**	11.0	**11.5**	11.0
Accrued income	**2.1**	3.5	**1.9**	3.5
Accrued legacies	**109.1**	95.8	**109.1**	95.8
Total debtors	**133.1**	121.9	**131.9**	120.8

Some accrued legacy income may be received after more than one year, but this has not been estimated due to uncertainty in the timing of receipt of such income.

The debtors balance was restated to de-recognise the distribution receivable asset previously recorded, see note 17.

Notes to the accounts

9. Research and other grant awards

	Healthcare Innovation	Research	**2024**	2023
	£m	£m	**£m**	£m
Research and other grant awards				
Grants awarded during the year	1.7	119.3	**121.0**	117.1
Movement in estimated future grant underspend	(0.1)	(7.0)	**(7.1)**	(7.3)
Decrease in grant discount	–	1.4	**1.4**	(12.4)
Net research grant awards as recognised in the statement of financial activities	1.6	113.7	**115.3**	97.4
Payments made during the year	(1.0)	(64.3)	**(65.3)**	(72.3)
Net movement in liability during the year	0.6	49.4	**50.0**	25.1
Grant liability at 1 April	2.3	304.8	**307.1**	282.0
Grant liability at 31 March	**2.9**	**354.2**	**357.1**	307.1
Awards falling due within one year			**119.3**	98.0
Awards falling due after more than one year			**237.8**	209.1
Grant liability at 31 March			**357.1**	307.1
Research and other grant awards commitments				
Total grants awarded and unpaid at 31 March, including conditional grant awards (total grant commitments)			**415.3**	371.4
Less conditional translation awards and Chairs grants *			**(5.4)**	(5.6)
Total unconditional grant awards outstanding at 31 March			**409.9**	365.8
Less estimated future grant award underspend *			**(35.9)**	(40.4)
Less grant discount			**(16.9)**	(18.3)
Grant liability at 31 March			**357.1**	307.1

Notes

* BHF has a contingent liability of £41.3m (2023: £46.0m) including £5.4m (2023: £5.6m) for awards conditional upon the favourable outcome of scientific reviews and £35.9m (2023: £40.4m) representing the expected future underspend against grant awards.

The Charity has discounted its long term liabilities, both for Research and Healthcare Innovation. A discount rate of 3.15% (2023:3.65%) has been applied to both amounts recognised in the financial statements as grant creditors and grant commitments (not applied to the financial statements).The discount rate applied is calculated with reference to UK Gilt yields at the balance sheet date, weighted to reflect the expected phasing of future grant payments. The gross discount value included in total liabilities for Research grant awards is £16.8m (2023: £18.2m) and for Healthcare Innovation grant awards £0.1m (2023: £0.1m).

Notes to the accounts

9. Research and other grant awards (continued)

The Charity occasionally receives applications for grants from, and makes awards to, universities and hospitals which employ members of the Board of Trustees or Council in senior research capacities. All grants are made to institutions, and a list of awards made during the year is available in the Charity's website at www.bhf.org.uk/research/information-for-researchers/previous-awards (this is unaudited). The top 50 grants made in 2023-24 are listed below.

			2024
Institution	**Activity**	**Number of grants**	**£m**
University of Cambridge	Research	7	**11.4**
University of Oxford	Research	7	**10.4**
Imperial College	Research	4	**9.4**
University of Edinburgh	Research	6	**8.6**
UK Dementia Research Institute	Research	1	**7.5**
University of Leicester	Research	3	**5.7**
King's College London	Research	3	**4.9**
University College London	Research	3	**4.3**
University of Manchester	Research	1	**4.0**
University of Bristol	Research	4	**2.6**
University of Leeds	Research	2	**2.3**
Queen Mary, University of London	Research	3	**2.1**
University of Dundee	Research	1	**1.3**
University of Glasgow	Research	1	**1.1**
University of Warwick	Healthcare Innovation	1	**0.8**
St George's, University of London	Research	1	**0.7**
University of Reading	Research	1	**0.7**
University of Birmingham	Research	1	**0.5**
Total		50	**78.3**
Other grants paid to institutions	Research		**41.8**
	Healthcare Innovation		**0.9**
Total grants and awards			**121.0**

Notes to the accounts

10. Other creditors

	Group		Charity	
	2024	2023	**2024**	2023 As restated
	£m	£m	**£m**	£m
Other creditors	**8.8**	6.4	**8.4**	5.6
Amount owed to subsidiary undertakings	**–**	–	**0.8**	0.6
Finance lease creditor	**0.8**	0.5	**0.8**	0.5
Taxation and social security	**2.2**	2.0	**2.2**	2.0
Accruals	**25.4**	25.6	**25.0**	24.4
Deferred income	**2.4**	1.9	**2.4**	1.9
Holiday pay accural	**1.7**	1.8	**1.7**	1.8
Total other creditors	**41.3**	38.2	**41.3**	36.8

Deferred income	Group		Charity	
	2024	2023	**2024**	2023
	£m	£m	**£m**	£m
Deferred income at 1 April	**1.9**	2.5	**1.9**	2.3
Released during the year	**(1.9)**	(2.5)	**(1.9)**	(2.3)
Income received during the year to be deferred	**2.4**	1.9	**2.4**	1.9
Deferred income at 31 March	**2.4**	1.9	**2.4**	1.9

Deferred income relates to events where income is received in advance.

Other creditors was restated to de-recognise the distribution receivable asset previously recorded, see note 17.

11. Provisions for liabilities and charges

	Group		Charity	
	2024	2023	**2024**	2023
	£m	£m	**£m**	£m
Provision at 1 April	**4.1**	4.2	**4.1**	4.2
Provision utilised in year	**(0.5)**	(0.8)	**(0.5)**	(0.8)
Provision accrued in year	**0.1**	0.7	**0.1**	0.7
Provision at 31 March	**3.7**	4.1	**3.7**	4.1

The provision comprises the estimated future unavoidable lease costs of £0.1m (2023:£0.1m) in respect of loss-making stores and an estimate of the probable future costs of restoring rented properties to their required condition at the ultimate expiry of the lease of £3.6m (2023: £4.0m) based on the dilapidation costs required, provided the lease is not renewed. The provision is expected to be utilised between 2024 and 2039 as leases terminate. Prior to confirmation of the payment amount and date, values are estimated based on historical data, the ongoing monitoring of lease contracts, and advice from property advisers.

12. Operating leases

At 31 March the Group had total commitments under non-cancellable operating leases as follows:

	2024	2023
Payment due:	**£m**	£m
Within one year	**24.0**	24.2
Between two and five years	**58.4**	62.7
After five years	**16.6**	20.8
Total operating lease commitments	**99.0**	107.7

Notes to the accounts

13. Subsidiary undertakings

The British Heart Foundation has two wholly owned non-charitable subsidiary undertakings registered in England and Wales, all of which are consolidated. The registered address for all the subsidiary undertakings is Greater London House, 180 Hampstead Road, London NW1 7AW.

These are:

Company name	Registered company number	Activity
British Heart Foundation Ventures Limited	02767880	Making commission arrangements and sponsorship agreements
BHF Shops Limited	02472513	Retailing new (non donated) goods online and in BHF shops

The share capital of each subsidiary is as follows - British Heart Foundation Ventures Ltd (3 ordinary shares of £1), BHF Shops Ltd (2 ordinary shares of £1).
The taxable profits of these undertakings are paid to the Charity (parent) each year as Gift Aid.

	British Heart Foundation Ventures Limited £m	BHF Shops Limited £m	**Total 2024 £m**	Total 2023 £m As restated
Turnover	0.9	46.8	**47.7**	41.5
Cost of sales	–	(23.9)	**(23.9)**	(19.4)
Gross profit	0.9	22.9	**23.8**	22.1
Other income	–	1.1	**1.1**	1.0
Other costs	–	(7.1)	**(7.1)**	(5.7)
Net taxable profit	0.9	16.9	**17.8**	17.4
Assets	0.9	16.9	**17.8**	19.5
Liabilities	–	–	–	(2.1)
Net assets	0.9	16.9	17.8	17.4

Subsidiary undertakings was restated to de-recognise the distribution to parent previously recorded, see note 17.

Notes to the accounts

14. Pensions

BHF operates a defined contribution scheme and a defined benefit scheme for its employees. The total pension cost for the financial year was:

Pension costs	**2024**	2023
	£m	£m
Defined contribution scheme	**5.7**	5.1
Defined benefit scheme	**0.2**	0.1
	5.9	5.2

i) Defined contribution scheme

BHF operates a defined contribution scheme for certain eligible employees, the total cost of which for the year ended 31 March 2024 was £5.7m (2023: £5.1m). From 1 August 2013, all employees have been automatically enrolled into the defined contribution scheme and BHF contributes between 2% and 25% of pensionable salaries.

ii) Defined benefit scheme

BHF operates a defined benefit scheme, the assets of which are held in a separate Trustee-administered fund. The scheme closed to new entrants from 30 June 2001 and to service accrual on 31 May 2016, such that from this date the pension benefit for the remaining active members will be of a defined contribution type.

The most recent completed valuation of the scheme was carried out as at 1 July 2020 and issued in March 2021. The market value of the scheme's assets at that date was £75.5m and it showed a funding surplus of £2.0m, such that no further contributions to the Scheme were required beyond BHF continuing to separately settle the cost of running the Scheme. The next valuation is being undertaken as at 1 July 2023, but has yet to be finalised.

In accordance with the requirements of the relevant accounting standard (FRS 102), the full actuarial valuation of the defined benefit scheme dated 1 July 2020 has been updated at 31 March 2024 by a qualified actuary. This reflects the application of broadly consistent assumptions to the actuarial valuation, with the exception of the discount rate, where a less conservative rate is required by FRS 102. On the FRS 102 basis, the Scheme has a surplus at 31 March 2024 of £2.1m (2023: surplus of £2.0m). In accordance with FRS 102, this surplus is not recognised, as future economic benefits are not deemed available to BHF in the form of a reduction in future contributions or a cash refund.

The major assumptions used for the actuarial valuation were :

	2024	2023	2022	2021	2020
	%	%	%	%	%
Salary growth	**3.3**	3.3	3.7	3.4	2.6
Pension increases in payment – Limited Price Indexation	**3.1**	3.2	3.6	3.3	2.0
Pension increases in payment – guaranteed	**5.0**	5.0	5.0	5.0	5.0
Discount rate	**4.9**	4.6	2.7	2.0	2.3
Inflation - RPI	**3.3**	3.3	3.7	3.4	2.6

Mortality

The average life expectancy in years of a pensioner retiring at age 65 on the balance sheet date is as follows:

	2024	2023
Male	**86.5**	87.0
Female	**88.9**	89.4

The average life expectancy in years of a pensioner retiring at age 65 twenty years after the balance sheet date is as follows:

	2024	2023
Male	**87.7**	88.3
Female	**90.3**	90.8

14. Pensions (continued)

Major categories of plan assets as a percentage of total scheme assets

	Asset categories as a percentage of plan assets	
	2024	2023
	%	%
	£m	£m
Corporate bonds	**76.0**	75.0
Liability Driven Investment (LDI) funds	**23.0**	24.0
Cash/other	**1.0**	1.0

Analysis of amount charged to the Statement of Financial Activities under FRS 102

	2024	2023
	£m	£m
Current service cost	**–**	–
Expenses	**0.2**	0.1
Past service cost	**–**	–
Total operating charge	**0.2**	0.1
Interest income on pension scheme assets	**(1.8)**	(1.7)
Interest on pension scheme liabilities	**1.7**	1.4
Interest effect of the asset ceiling	**0.1**	0.3
Total amount charged to the Statement of Financial Activities	**0.2**	0.1

Analysis of actuarial (loss)/gain and effect of the asset ceiling

Actuarial gain/(loss) before consideration of asset ceiling	**–**	(9.2)
Amounts not recognised due to effect of asset ceiling	**–**	9.2
Total actuarial (loss)/gain and effect of asset ceiling	**–**	–

Analysis of changes in the present value of defined benefit obligations and fair value of assets

	Present value of defined benefit obligation		**Fair value of scheme assets**		**Asset ceiling**		**Net liability recognised in the balance sheet**	
	2024	2023	**2024**	2023	**2024**	2023	**2024**	2023
	£m	£m	**£m**	£m	**£m**	£m	**£m**	£m
Scheme (liabilities)/assets at the start of the year	**(38.6)**	(53.9)	**40.6**	64.8	**(2.0)**	(10.9)	**–**	–
Interest cost	**(1.7)**	(1.4)	**–**	–	**–**	–	**(1.7)**	(1.4)
Interest income on assets	**–**	–	**1.8**	1.7	**–**	–	**1.8**	1.7
Employer contributions	**–**	–	**0.1**	–	**–**	–	**0.1**	–
Actuarial gain/(loss) and effect of asset ceiling	**1.7**	14.8	**(1.8)**	(24.0)	**–**	–	**(0.1)**	(9.2)
Benefits paid	**1.6**	1.9	**(1.6)**	(1.9)	**–**	–	**–**	–
Interest effect of the asset ceiling	**–**	–	**–**	–	**(0.1)**	(0.3)	**(0.1)**	(0.3)
Remeasurement of the asset ceiling	**–**	–	**–**	–	**–**	9.2	**–**	9.2
Scheme (liabilities)/assets at the end of the year	**(37.0)**	(38.6)	**39.1**	40.6	**(2.1)**	(2.0)	**–**	–

Notes to the accounts

14. Pensions (continued)

Analysis of pension scheme assets and liabilities for the previous four financial years

	2024	2023	2022	2021	2020
	£m	£m	£m	£m	£m
Defined benefit obligation (DBO)	**(37.0)**	(38.6)	(53.9)	(59.2)	(53.5)
Fair value of pension scheme assets (including asset ceiling)	**37.0**	38.6	53.9	59.2	53.5
Pension deficit	**–**	–	–	–	–
Experience gain/(loss) on pension scheme assets	**(0.1)**	(9.2)	0.2	(5.4)	6.0
Adjustments as a percentage of pension scheme assets	**0%**	(24%)	0%	(9%)	11%

Analysis of change in the effect of the asset limit

	2024	2023
	£m	£m
Opening effect of the asset limits	**2.0**	10.9
Interest effect of the asset limit	**0.1**	0.3
Remeasurement of the asset limit	**–**	(9.2)
Closing effect on the asset limit	**2.1**	2.0

15. Financial instruments

		Group		Charity	
		2024	2023	**2024**	2023
	Note	**£m**	£m	**£m**	£m
					As restated
Financial assets at fair value through statement of financial activities					
Investments	7	**270.7**	185.8	**270.7**	185.8
Financial assets that are debt instruments measured at amortised cost					
Amount owed by subsidiary undertakings	8	**–**	–	**–**	0.1
Other debtors	8	**5.1**	8.6	**4.1**	7.4
Accrued income	8	**2.1**	3.5	**1.9**	3.5
Accrued legacies	8	**109.1**	95.8	**109.1**	95.8
Cash and cash equivalents		**98.0**	129.4	**89.0**	120.5
		214.3	237.3	**204.1**	227.3
Financial liabilities at fair value through statement of financial activities					
Grants liability	9	**357.1**	307.1	**357.1**	307.1
		357.1	307.1	**357.1**	307.1
Financial liabilities that are debt instruments measured at amortised cost					
Other creditors	10	**8.8**	6.4	**8.4**	5.6
Amounts owed to subsidiary undertakings	10	**–**	–	**0.8**	0.6
Accruals	10	**25.4**	25.6	**25.0**	24.4
		34.2	32.0	**34.2**	30.6

Financial instruments was restated to de-recognise the distribution receivable asset previously recorded, see note 17.

Notes to the accounts

16. Related Party Transactions

Donations received from and expenses reimbursed to Trustees and the total employee benefits of the Executive Group of the Charity are disclosed in note 4. Transactions by the Charity with its defined benefit pension scheme are set out in note 14.

As set out in note 9 on pages 136 to 137, the Charity occasionally receives applications for grants from, and makes awards to, universities and hospitals which employ members of the Board of Trustees in senior research capacities. All such grants are made to institutions. A summary of the top 50 grants is provided on page 137. In certain cases, a BHF Trustee holds a senior position in the institutions we fund. In this context, the grant funding is regarded as being between related parties, as the individuals concerned holds a position of influence in both parties to the transaction. Such instances are set out below, although in no case was the Trustee involved in either the grant funding decision or the grant application process:

Wendy Becker was the Chair of the Trustees of the Charity (until October 2023) and a Trustee of the University of Oxford, which was awarded £16.9m grant funding during the year to 31 March 2024 (2023:£40.5m).

Professor David Lomas is a Trustee of the Charity and Vice Provost of University College London, which was awarded £5.3m of grant funding during the year to 31 March 2024 (2023: £5.5m).

Professor Brian Walker is a Trustee of the Charity and Deputy Vice Chancellor at Newcastle University. Newcastle University was awarded £1.4m grant funding during the year to 31 March 2024 (2023: £0.3m).

Professor Jill Pell was a Trustee of the Charity (until October 2023) and a member of the Council of the Medical Research Council. During the year to 31 March 2024, the Charity awarded £0.4m of grant funding to the Medical Research Council (2023: £2.2m).

Daryl Fielding is CEO of The Marketing Academy Foundation. During the year to 31 March 2024, the Charity paid £9,710 (2023: £nil) to The Marketing Academy Foundation for recruitment and training services.

Professor Sir Munir Pirmohamed is a Non-Executive Director of NHS England and a member of the Council of the Medical Research Council. During the year to 31 March 2024, the Charity awarded £0.4m of grant funding to the Medical Research Council (2023: £2.2m). During the year the Charity was paid £0.3m by NHS England towards the operational costs of The Circuit: the national defibrillator network.

Professor Sadaf Farooqi is a Trustee of the Charity and a Council member of the Academy of Medical Sciences. During the year to 31 March 2024, the Charity awarded 0.1m of grant funding to the Academy of Medical Sciences (2023: £0.7m).

For the year the Charity received income of £16.3m (2023: £14.2m) from BHF Shops Limited and £1.1m (2023: £1.0m) from British Heart Foundation Ventures Limited, being a corporate Gift Aid payment to the parent charity. In addition BHF Shops Limited reimbursed the Charity £6.6m (2023: £4.8m) for services and other expenses incurred on its behalf.

At the year end, the Charity owed £0.8m (2023: £0.6m) to BHF Shops Limited and was due £0.0m (2023: £0.2m) BHF Ventures Limited.

Notes to the accounts

17. Prior period adjustment

Cash flows for investing and financing activities as disclosed in the prior year have been restated to exclude those transactions that do not require the use of cash or cash equivalents as reported on the group balance sheet. Cash flows from investment income have been restated to reflect movements in accrued investment income.

Cash flows from investing activities	**As previously reported 2023 £m**	**Amendment £m**	**As restated 2023 £m**
Investment income	5.9	(3.1)	2.8
Purchase of investments	(113.4)	78.4	(35.0)
Proceeds from sale of investments	83.1	(75.7)	7.4
Reconciliation of net cash flow from operating activities:			
(Increase) in debtors	(10.7)	0.4	(10.3)

Income in the Charity has been restated to recognise distributions from the trading subsidiaries as income in the year distributions are received by the Charity not in the year that profit has been generated in the subsidiary as a legal obligation to make the distributions did not exist as at 31 March 2023. The recorded amounts owed by subsidiary undertakings, included within current assets on the Charity balance sheet have similarly been restated to de-recognise the distribution receivable asset previously recorded. This restatement has no impact on the reported Group Statement of Financial Activities or Balance Sheet position.

	Charity		
	As previously reported 2023 £m	**Amendment £m**	**As restated 2023 £m**
Statement of financial activities			
Total gross income	361.7	(2.2)	359.5
Balance sheet			
Debtors	137.6	(16.8)	120.8
Other creditors	(36.2)	(0.6)	(36.8)
General funds	102.4	(17.4)	85.0

Legal and administrative details

Registered office

British Heart Foundation
Greater London House
180 Hampstead Road
London NW1 7AW

Tel: 020 7554 0000
bhf.org.uk

Company registration number: 699547
Registered charity number: 225971
Scottish registered charity number: SCO39426
Isle of Man charity number: 1295

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British Heart
Foundation

BRITISH HEART FOUNDATION

England & Wales - Charity number 225971

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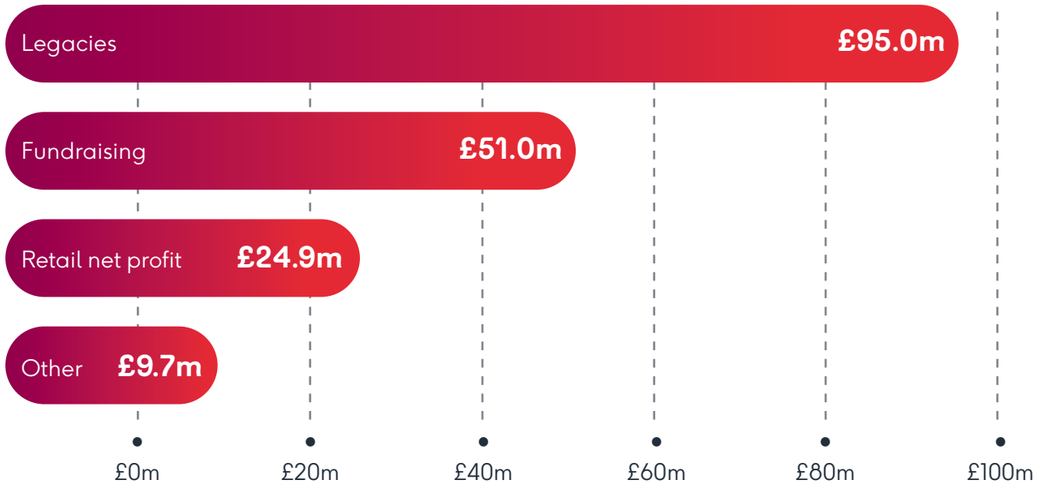
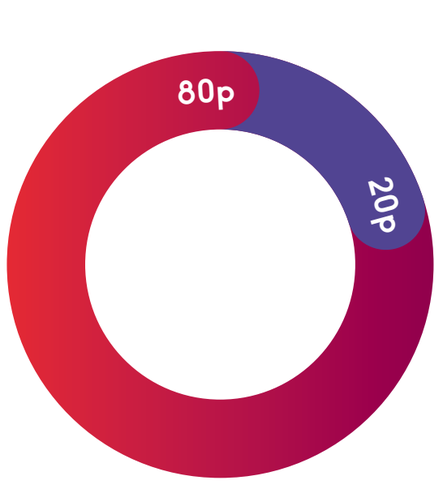
Where our money came from in 2022-23



How your money was spent in 2022-23

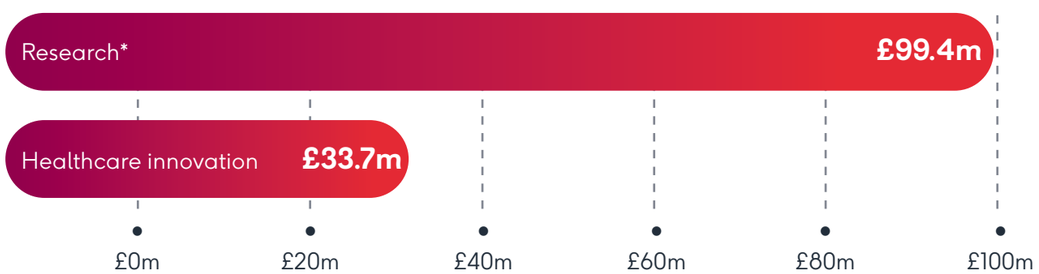
Investment in growing our income was £36.3m meaning 80% of total income (net of retail costs) was available to beat heart and circulatory diseases. This is well above our target range of ensuring that at least 70p in the £1 is available to spend on our lifesaving work.



Of every £1 raised

- Available for charitable purposes
- Invested to generate further income

How we delivered our mission in 2022-23



*£115.6m of research grant awards, less accounting adjustments. See page 88 for more information.
See our Financial Review on page 86 for more detail on all of the numbers above.

Funding world leading science

British Heart Foundation is the biggest funder of non-commercial research into heart and circulatory diseases carried out in the UK, with £437m of BHF-funded research underway.

£437m

£116m
Grants awarded

720
Active research grants

464
Principal Investigators

248
Students currently supported

1,100
Research staff

48
Research institutions across UK

Letter from our Chair

Joining an organisation as ambitious and fast-paced as British Heart Foundation (BHF) is a challenge akin to boarding a moving train. Thankfully, I have had the kindness, generosity and warmth of the entire BHF family to welcome me aboard. Since becoming your Chair in October, my first few months have been spent learning about every aspect of our organisation and asking hundreds of questions. I have noticed that my own curiosity is reflected in the inquisitive nature of our organisation. In every department, our volunteers, partners and colleagues keep their eyes and minds open to opportunities and are always keen to apply new approaches to old challenges. Curiosity is one of our greatest strengths.

As I have learned about our organisation and the world-class research that we fund, I am struck by just how much BHF is needed by all of us. Thousands of people look to us for information and support, as well as the hope we offer to people living with heart and circulatory diseases. The UK currently faces a mammoth backlog of heart health care, with hundreds of thousands of people waiting for treatment. Covid has exacerbated waiting times and compounded the threat to heart patients. Our health-impacting and lifesaving research has never been more needed.

At the same time, the difficult macroeconomic situation makes raising funds harder than ever, which demands even more creativity from our colleagues and volunteers – something I am confident they will continue to deliver. Our retail operation stands out as a highlight, as well as a powerful way to connect to communities across the nation. Our stores are often the first place we introduce ourselves to the public, and they are home to incalculable selflessness and generosity, whether in the form of time, donations, money or creativity.

BHF is at once a national treasure and a global powerhouse. Our organisation has a unique perspective on the world's biggest killers, a perspective that is increasingly recognised and valued around the world. This gives us the ability and the responsibility to bring together organisations and governments from around the world who are committed to improving heart health.

Thinking about our future, I will prioritise our ongoing commitment to impact in our operations, strategy and resilience. This solid foundation is essential to empower the bold thinking that can unlock heart health transformations, leveraging assets like the BHF Data Science Centre and our exceptional network of scientists. Our big ambitions require ambitious support, so the Board will also focus on expanding our financial model, investing in our retail operations, and developing our philanthropy income. Thank you to our volunteers, fundraisers, colleagues, partners and researchers for your support in helping us unlock the next generation of breakthroughs. And a huge thank you to my predecessor, Doug Gurr, for creating an exemplary blueprint for this role, albeit one that will be tough to follow.

Wendy Becker
Chair of Trustees

Letter from our CEO

At a time of such immense challenge and change, I am deeply grateful to our incredible family of supporters, colleagues, volunteers, and partners. It has also been a great pleasure to welcome our new Chair of Trustees, Wendy Becker, to help drive forward our mission. It takes every single person to power the progress of British Heart Foundation to save and improve lives.

Over the last year people with heart and circulatory conditions continued to face unprecedented disruptions to care and treatment. We remain deeply committed to tackling the worrying increase in health inequity through our Igniting Change strategy that sets out the change we want to see in health, research and who we are as a team. And for now, we continue to be proud to be there for the millions of people who turned to us for support, for information and for hope.

And despite the challenges, every day we turn to research for hope. Each of the thousands of researchers we fund brings us the hope of turning today's science fiction into tomorrow's advances in diagnosis, treatment and care for countless patients and their loved ones around the world. CureHeart is an astonishing example of this, with the winning team of our £30m Big Beat Challenge aiming to cure inherited cardiac conditions that affect around 30 million people worldwide within a generation.

As ever, we can only fund such world-changing work with partnerships, and are grateful to our strategic partners including Omaze, PureGym, Royal Mail and Tesco who made an enormous contribution to our work.

We approach the challenges of the year ahead with determination, confident that we can grow our impact. We know that heart and circulatory diseases affect most families across the UK, just as they have my own, and that BHF holds a special place in people's hearts. We're so inspired to be connecting with ever more people across the UK who share our hope and vision to make a difference for others. And this year saw some of the youngest and oldest members of our BHF family do just that.

Just like nine-year-old Ollie Banks (living with a heart defect) who ran a half marathon in Cardiff, raising more than £1,000. And little Dáithí Mac Gabhann and his family changed the world by tirelessly campaigning for soft opt-out organ donation, ensuring Dáithí's Law took effect in Northern Ireland. And this year our incredible 106-year-old supporter, Joan Willett, received the Points of Light Award for her extraordinary fundraising efforts. It is a great privilege of my job to meet and thank them – they are all remarkable reminders of why what we do every day matters so much to so many people.

And so I offer my heartfelt thanks to every one of our supporters, volunteers, colleagues and partners who make BHF such a special organisation, working to save and improve lives, every day.

Dr. Charmaine Griffiths
Chief Executive

Inspiring support, accelerating breakthroughs, saving lives, our strategy to 2030

BHF has never been more needed. But we're poised and ready to meet this moment.

In the wake of the pandemic, we've recovered our income, supported thousands of families in their time of need, and made history by funding more ambitious research than ever before.

We have so much to be proud of. But we know we're just scratching the surface of our true potential. And the challenges we face are as grave as ever.

There is nothing more precious than our hearts. But the tragic reality is that millions of people's hearts are at risk. Mounting numbers of people face an agonising wait for care, while many more live in hope of treatments and cures that could save or improve their lives.

At the same time, we stand at the precipice of revolutionary scientific advances. Our researchers are on the cusp of turning science fiction into reality in so many ways – from unleashing the power of AI and Data Science which could stop heart attacks and strokes to finding revolutionary gene editing cures to end sudden cardiac death.

But we need more support to make these breakthroughs a reality.

Rise to the challenges

As a BHF team, we have everything we need to meet this moment. **To realise our ambitions we need a razor sharp focus on the things that will make the biggest impact for people with heart and circulatory diseases.**

Over the coming years:

We will **inspire more support** by leaving people in no doubt about the preciousness of their heart. We will inspire and engage our supporters more. And we will ignite a reuse revolution that raises millions of pounds for research while helping to protect our planet.

We will **accelerate breakthroughs** by funding more ground-breaking science than ever before, by initiating cutting-edge partnerships, and by speeding up the translation of our findings into new diagnostics, treatments, and potential cures.

And we will **save lives** through the power of our discoveries, through expanding our life changing influence, information and support, and through making immediate CPR and defibrillation the norm for people who suffer cardiac arrests.

Lifesaving progress powered by our people

At the heart of achieving this is enabling our **incredible BHF team to realise their full potential.** This means embracing the flexibility that emerged during the pandemic; using cutting edge technology and data to optimise every area of our operations and investing in our leaders so they can inspire their teams to do truly lifesaving work.

Finally, we will ensure that Equality, Diversity & Inclusion (EDI) is at the heart of our mission. We need to ignite change that creates a fairer and more inclusive world for our colleagues and volunteers, for the cardiovascular research community, and for everyone affected by heart and circulatory diseases.

Make no mistake, millions of families are relying on us. It's time to show what we can really do.

[We fund **research** to save and improve lives]

Connecting the dots in research

Research requires connections – and bold initiatives. This year, we committed £116m of new funding to research, including a once-in-a-generation £30m research grant to CureHeart. This global team of pioneering researchers seeks the world's first cures for inherited heart muscle diseases. This is just one of the incredible research projects we've funded over the past twelve months. And it demonstrates how much can be achieved when brilliant people come together.

Members of the CureHeart team

Research

Our commitment to funding lifesaving research has grown thanks to significant income recovery from retail, fundraising and legacies.

We identified five key areas to focus on in 2022-23. Read more on pages 14-21 about how the research we funded last year will save and improve lives.

- Growing and diversifying the research community – *page 14*
- Working with others to develop and deliver a strategic research agenda – *pages 16-17*
- Investing in world-class research across the spectrum of heart and circulatory diseases – *page 19*
- Strengthening the implementation of research outcomes for patient benefit – *page 20*
- Communicating the impact of the research we fund to inspire more support – *page 21*

Growing and diversifying the research community

Fibroblast cells

Our 2022 Equality, Diversity and Inclusion (EDI) strategy, Igniting Change, outlined clear commitments to addressing inequalities within the research ecosystem, both in the communities that participate in research studies but also in career progression for researchers themselves.

As a step towards encouraging inclusive research design, we have now rolled out a new section to relevant BHF research funding application forms, asking for information on sex representation in the proposed study, and whether and how factors such as age, sex, gender or ethnicity have been considered as part of the design of the project.

Signing the Declaration on Research Assessment (DORA) also supports our EDI ambitions. Our first phase of DORA reforms includes consolidating guidelines for good practice in expert review, ensuring these principles are embedded in our funding committees' procedures, and being clearer about how we assess research applications.

Supercharging research

We were awarded £3.7 million funding from the Department for Science, Innovation and Technology following our campaign calling on Government to safeguard charity-funded research as the sector recovered from the impact of the Covid-19 pandemic. This vital boost will help BHF support 37 researchers in the early stages of their careers for one year, including Clinical Research Training Fellows. Overall, the scheme, with a total investment of £50m will support over 1,200 early career researchers across the sector.

Medical research charities play a unique role in the UK's research and development ecosystem, investing in high quality research which not only saves lives but also boosts the economy. This funding is not only an investment in the researchers of today – it will also help to safeguard the research workforce of tomorrow who can build on the strength of UK science, supercharging research to find the treatments and cures of the future.

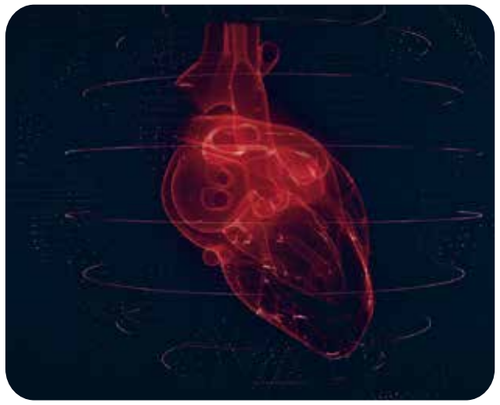
Working with others to develop and deliver a strategic research agenda

Global Cardiovascular Research Funders Forum (GCRFF)

Founded in 2018, the GCRFF is a partnership of 12 of the largest funders of cardiovascular research around the world, seeking to promote transformational research efforts into heart, stroke and circulatory diseases at a global scale. The Forum is developing its activities across three main fronts.

The GCRFF Multinational Clinical Trials Initiative provides an expert-led assessment mechanism designed to help investigators from different countries to collaboratively design and apply for funding of ambitious, practice-changing trials, where an international scale is much more likely to lead to actionable results that benefit patients.

Member organisations are also working on ways to share knowledge and best practice more effectively. This includes, for instance, the creation of a shared grant database to allow the precise mapping of the international cardiovascular research landscape, helping to avoid duplication of funding across organisations and to identify research gaps and opportunities for international cooperation.



Finally, as part of its ambition to help set the global cardiovascular research agenda, the Forum aims to draw attention and support to areas of unmet need where an international scale will accelerate the path to impact. To this end, the GCRFF has identified health equity as an initial priority and has recently launched the Women's Cardiovascular Health Research Initiative. The joint work will set out clear principles and practices to help research funders around the world tackle persisting and widespread sex/gender-related cardiovascular health inequities. Additionally, through the launch of an international funding challenge, this initiative will also directly address specific problems in this area by supporting the work of international networks of researchers.

BHF-DZHK-DHF International Cardiovascular Research Partnership Awards

As part of our ongoing, highly successful, joint funding partnership with the German Centre for Cardiovascular Research (DZHK) and the Dutch Heart Foundation (DHF), four new collaborative projects involving research teams in the UK, Germany and the Netherlands were selected, totalling close to £5m. The 2022-23 call was aimed at mid-career investigators on a trajectory towards becoming future leaders in cardiovascular research, allowing them to develop innovative research through the opportunity to forge new international collaborations. To date, the partnership has led to 12 projects with close to £16m of investment, enabling research that would not be possible to carry out in any single country, and helping our funds to generate more impact. A fifth edition of the competition is currently underway.

The four newly awarded projects will seek to understand new aspects related to heart failure and atherosclerosis (the leading cause of heart attacks and strokes), as well as to develop new approaches to predict cardiovascular disease risk.

Specifically, the PLAK-TALK study will investigate how T-cells, a type of immune cell, communicate with other cells in fatty plaques developing in arteries. In this process, T-cells cause inflammation that can increase the risk of developing "fatty plaques" that are more likely to rupture, which can cause blood clots and then result in heart attacks and strokes. Insights from this work could inform treatments to prevent plaques from breaking off in patients with atherosclerosis.

The PROMETHEUS project seeks to understand genetic differences in people with pulmonary arterial hypertension (PAH), a condition where blood pressure in lung arteries is dangerously high. Failure of the right side of the heart to adapt to abnormally high pressure in PAH patients results in heart failure and is the leading cause of death. This study will help understand why some people's hearts are able to adapt to this increased pressure and help find new ways to reduce PAH-associated mortality.

Another project, Prot4CVD, will employ state-of-the-art instrumentation and innovative computational analyses to measure up to 7,000 proteins in blood samples from 200,000 people, and combine it with genetic and clinical data. Through this approach, the teams hope to improve cardiovascular disease risk prediction, and help to develop novel therapeutic targets.

Lastly, in a study called MegaCardiocyte, researchers will investigate the relationship between heart failure with large vessels being affected and abnormal function of small blood vessels, which researchers believe may be related to poorly functioning blood platelets – a component of blood required for clotting. The study may lead to novel heart failure treatments targeting blood platelets.

Investing in world-class research across the spectrum of heart and circulatory diseases

We've enhanced knowledge of cardiovascular diseases, including coronary artery disease, heart failure, stroke and vascular dementia.

Working with others to develop and deliver a strategic research agenda

A research project led by Professor Christopher Gale and part funded by BHF, revealed a 72% increase in the number of people living with atrial fibrillation (AF) over the last 20 years. In the largest study into AF, University of Leeds researchers analysed medical data from 3.4 million people in England. The study also found that people from the most deprived communities are 20% more likely to have AF.

Hope for first treatment for strokes linked to dementia

A clinical trial we funded has found that two existing drugs could be an effective and affordable treatment for people who experience a type of stroke linked to nearly half of all dementia cases. Lacunar strokes affect at least 25,000 people in the UK each year and have devastating effects that include impaired cognitive and motor skills, as well as dementia.

The new trial shows that isosorbide mononitrate and cilostazol, both used to treat other heart and circulatory diseases, could help improve the debilitating effects of lacunar strokes. The trial team now plan to carry out a larger scale trial to confirm these promising results.

Anti-ageing gene shown to rewind heart age by 10 years

Scientists from the University of Bristol and the MultiMedica Group in Italy are researching an anti-ageing gene discovered in centenarians. The healthy mutant genes have been shown to rewind the heart's biological age by ten years.

They found that a single administration of the mutant anti-ageing gene halted the decay of heart function in middle-aged mice. And their research has confirmed that the gene can reverse the decline of heart performance in older people. The team is now investigating if the treatment can be delivered as a protein rather than a gene, something that could improve safety.

Strengthening the implementation of research outcomes for patient benefit

Improving diagnosis of myocarditis

A team led by BHF Professor Federica Marelli-Berg and colleagues at Queen Mary University London (QMUL) discovered that T-cells expressing a molecule called cMet in the blood strongly indicates that a person has myocarditis. Because this can be detected through routine blood tests, their finding could improve diagnosis, accelerate treatment, and reduce the risk of developing complications.

Intravenous iron to treat heart failure

A team led by Professor Paul Kalra (University of Glasgow) found that an intravenous iron infusion can safely and effectively reduce the risk of hospitalisation for heart failure. By reducing the need for hospitalisations, this could help tackle the UK's heart care backlog.

Preventing heart failure after heart attacks

A team led by Professor Mauro Giacca (King's College London) used innovative screening technology to identify three proteins that prevented cell damage and preserved heart function in mice after a heart attack. The team intends to further develop the innovative treatment in a clinical setting.

Communicating the impact of the research we fund to inspire more support

Creating connections at the BCS Annual Conference

In June 2022, the British Cardiovascular Society (BCS) celebrated its 100th anniversary at its conference in Manchester. Highlights include recognition for BHF Intermediate Clinical Research Fellow, Dr. Thomas Treibel, winning the Michael Davies Early Career award; Professor Marianna Fontana being awarded BHF Fellow of the Year; and five lectures from Her Royal Highness The Princess Royal.

European Society of Cardiology Congress

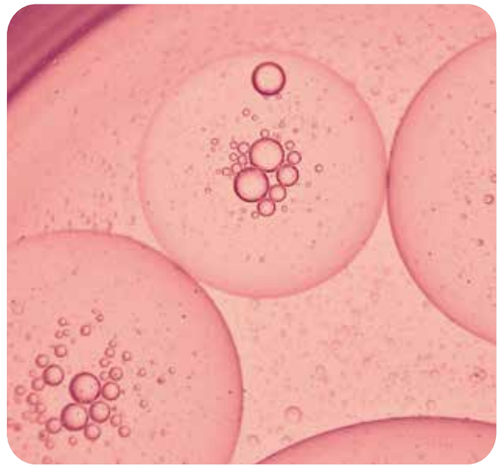
In 2022 we took part in The European Society of Cardiology (ESC) Congress, the world's largest cardiovascular conference. Our conference highlights include BHF-funded researcher and Vice-Chair of BHF Translational Awards Committee, Professor Stefan Neubauer (University of Oxford), giving the Paul Hugenholtz Lecture in Innovation; and a BHF part-funded study led by Professor Colin Baigent (University of Oxford) which shows that while statins are associated with a small increase in risk of muscle pain or weakness, they do not cause the majority of symptoms commonly associated with them.

Evaluating our research

In November 2022, we published the latest Research Evaluation Report, which highlighted, among other achievements, that BHF researchers attract £2.29 of further investment for every £1 of BHF funding.

Spreading the word with Live & Ticking

Our Research Engagement Team produced 12 Live & Ticking virtual events throughout 2022-23. The monthly sessions give supporters a free opportunity to connect with us and learn about our work. Since the series started we have seen over 14,000 people register for our events, with over 4,000 attending live, and 38,000 people watching recordings on YouTube.



Side by side
Healing Hearts

Inderdeep and her two sons have an inherited heart muscle disease called hypertrophic cardiomyopathy. Maninder had his rugby career ended because of his symptoms; his younger brother Manvir may need a heart transplant.

"I couldn't believe it when I heard the words 'You're the carrier'."

Inderdeep Birk, heart patient

Every week in the UK, we lose 12 people under the age of 35 to sudden cardiac death. Many of these tragic deaths are connected to inherited heart muscle diseases, or genetic cardiomyopathies, conditions that can be passed down through families.

CureHeart's researchers from the UK, the US and Singapore are developing gene therapy technologies that could silence or correct the faulty genes affecting one in 250 people worldwide. By backing CureHeart, we're giving hope to millions of people.

"After 30 years of research, we know many of the genes responsible for cardiomyopathies. We believe we will have a gene therapy ready for early clinical testing in the next five years. The £30m from BHF helps to turbo-charge our progress."

Professor Hugh Watkins, BHF Professor of Cardiovascular Medicine and Lead Investigator of CureHeart with Dr. Christine Seidman of Harvard Medical School

Our future focus

BHF has never been more needed. But we're poised and ready to meet this moment. As a BHF team, we have everything we need united behind a shared vision. We will continue to fund world-class research to save and improve lives. We will focus on:

Helping the cardiovascular research ecosystem recover and grow by:

- Progressing our ambitions around equality, diversity and inclusion in cardiovascular research
- Monitoring and addressing the increase in costs of research through targeted changes to our ways of funding
- Working with partners, including the National Institute for Health and Care Research (NIHR), to further support clinical research

Enhancing knowledge of cardiovascular diseases, through:

- Implementing partnership initiatives to address unmet need e.g. with the UK Dementia Research Institute, Medical Research Council (MRC) and Innovate UK
- Supporting the work of the CureHeart team
- Optimising the funding model for our Research Excellence Awards
- Developing new strategic research initiatives

Seeing more BHF-funded research discoveries being translated into patient and public benefit by:

- Developing a research translation strategy, to increase the commercial exposure and translation of BHF-funded research towards patient benefit
- Enhancing our ability to track and monitor the impact of our research with new software

[We work with **patients and the public** for better health and care]

Heart health matters

More than seven million people live with heart and circulatory diseases in the UK today. Millions more have risk factors for these conditions, such as high blood pressure, raised cholesterol, and type 2 diabetes. Given the immense scale of this public health challenge, what can we do to ensure that everyone has access to the personalised, optimised, prioritised care they need?

Our analysis into the impact of the pandemic shows that the cardiovascular workforce is one of the most important factors affecting patient care and something heart patients want to see addressed.

Patients

The growing backlog of care, diagnostics and treatment is causing additional health concerns and anxiety for heart patients and their families. We will not stop until people get the information, support and treatments they need.

We identified four key areas of focus for 2022-23. Read more about how we promoted information and support for heart and circulatory disease patients on pages 30-42.

- Engaging more people with our patient information and support services – *page 30*
- Increasing the scale and diversity of patient and public involvement and meeting the needs of everyone affected by heart and circulatory diseases – *page 31*
- Tackling the major risks to heart health of high blood pressure, obesity and health workforce constraints through partnerships and influencing activities – *pages 33-35*
- Aligning all our community resuscitation activities to improve survival rates from out-of-hospital cardiac arrest – *pages 36-38*

Empowering with information

We offer people the information they need to manage cardiovascular conditions.

BHF recently joined the Patient Information Forum (PIF) scheme to promote high-quality and trustworthy health information that has been developed with patients. We can now proudly display the PIF TICK to demonstrate our commitment, alongside other health charities such as Cancer Research UK, Macmillan, MIND, and RNIB.

Our valued information and support continue to reach a wide audience. Our high-risk condition website pages are the most popular of all health related BHF content. From 1 April 2022 to 31 March 2023 there were 15.3 million users and 25.3 million unique page views to our health information web pages.

We also launched the Let's Talk service to help pharmacy professionals give better information and support to anyone living with, or at risk of developing, heart and circulatory disease, cancer, and type 2 diabetes. This health charity partnership with Tesco Pharmacy, Cancer Research UK, and Diabetes UK brings specialist training to Tesco pharmacists and their colleagues.

People-powered change

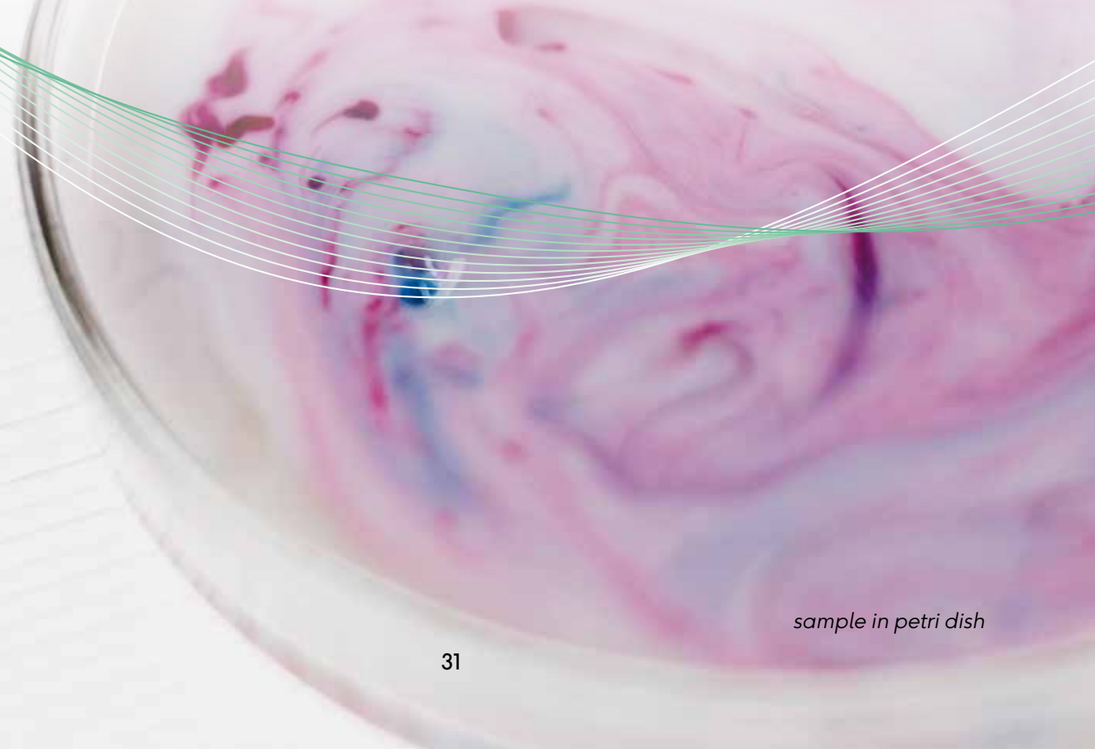
Patient and public involvement in research.

As an organisation founded to help all people affected by heart and circulatory diseases, it's vital that we involve a wide group of people in our Patient & Public Involvement (PPI) activities, across our research portfolio. We must hear from a diverse group of people so that we understand the variety of experiences and perspectives of people affected by these conditions.

With this in mind, we are seeking partnerships with community organisations to improve the diversity of those we involve in shaping our research activities. Our plan is to build relationships and test approaches to help us reach new audiences. We are also working to improve the ways we capture and manage equality, diversity and inclusion (EDI) data for Heart Voices, our PPI network.

We will shortly be introducing a PPI Payment Policy. Offering payments to patient representatives (e.g., patients, carers or family members) for sharing their time, knowledge and experience helps to remove a potential financial barrier to involvement. This is an important part of ensuring that our PPI is meaningful and can draw on a diverse range of perspectives to inform and shape our work.

We have also created a new patient panel to inform our policy and influencing work. The Lived Experience Advisory Forum (LEAF) formalises our approach to seeking the views of people affected by heart and circulatory conditions.



sample in petri dish

Dáithí Mac Gabhann and his family, Chief Executive Charmaine Griffiths and Head of BHF Northern Ireland Fearghal McKinney.

Pushing for progress

Creating a future free from the fear of heart and circulatory disease demands urgent action at the highest levels of government.

Shining a light on heart health

In the face of rising waiting lists for cardiovascular care, long waits for ambulances, and poor management of cardiovascular disease (CVD) risk factors, our Chief Executive Dr. Charmaine Griffiths spoke at the Westminster Health Forum. She set a challenge for leaders across the UK Government, the NHS and research organisations to "work together to save countless lives from heart disease for generations to come".

And in August 2022, BHF joined over 30 other heart foundations and organisations at the European Heart Network Conference to share learning and strategies, at which Dr. Charmaine Griffiths was appointed President.

Advocating for change

Northern Ireland hosted a reception at Stormont in September 2022, where a presentation was made to our heart hero Dáithí Mac Gabhann and his family. We've campaigned with the family at Stormont and at Westminster where we met with MPs ahead of the historic vote in February which led to Dáithí's Law – a soft opt-out system for organ donation.

Partnering with policymakers

Sharing our knowledge, experience and expertise with policymakers is essential to drive systemic change.

Our Policy and Public Affairs teams attended all the major political party conferences across the UK. And our Chief Executive Dr. Charmaine Griffiths spoke at a Conservative Party Conference fringe event alongside the then Public Health Minister, about levelling-up the UK's cardiovascular health. She reinforced the urgent need for action to prevent the causes of ill-health across the UK.

Influencing politicians across the UK

During party conference season, we engaged with key political stakeholders including the then UK Government and Shadow Health Secretaries and 125 MPs. In Scotland we met with the First Minister and key cabinet secretaries. We had the support of all party leaders in Scotland for our RevivR reception at Scottish Parliament. In Wales we engaged with all MSs and took part in a main stage debate at the Plaid Cymru conference, highlighting the need to invest in research in Wales. In the absence of a functioning Assembly in Northern Ireland, our political engagement with all parties has continued.

BHF-led Non-Communicable Disease (NCD) Alliance in Scotland published their 'Preventing Harm through Action' report. This led to securing commitment from the Scottish Government to legislate on high fat, salt and sugar foods (HFSS) price promotions, expected later this year.

Throughout the year we have made consistent progress on some of the most pressing heart health issues. As we reflect on our successes, we must also highlight the urgent need to do more for people affected by heart and circulatory diseases.

a close-up snapshot of hundreds of endothelial cells—the cells which line all blood vessels—growing on the surface of a bead.

Prioritising action

Hypertension

We began the year by commissioning modelling to better understand how salt reduction could reduce hypertension, coronary heart disease and stroke. We shared this report with key stakeholders (including multiple UK government agencies) to raise awareness of this potentially devastating issue.

We have produced over 7,000 of our hypertension data reports for GPs across England. We used a version of the resource for September's party conferences, alongside our modelling report, to ask MP's to act on this issue.

We also developed an Integrated Care System (ICS) quality improvement tool. This offers context to local blood pressure data, as well as a guide to ensure a comprehensive approach to hypertension is implemented at ICS level.

Obesity

As a leading member of the Obesity Health Alliance, in April 2022 we celebrated the passing of legislation to introduce restrictions on promotions of foods high in fat, salt and sugar and a 9pm watershed on junk food advertising on television. However, we continue to make the case for immediate implementation of these policies following their delay to October 2023 and October 2025 respectively. We have also advocated for a levy to be introduced by the Government that will encourage industry to reduce high levels of salt and sugar in certain products.

Workforce

We initiated a policy research project to better define the cardiovascular workforce, and to help focus our influencing work on NHS cardiovascular care needs. This project is in partnership with the British Cardiovascular Society, relevant Royal Colleges and Societies, and NHS England's Clinical Policy Unit.
We continue to engage and input into UK Government and NHS England consultations on workforce, highlighting the need for comprehensive and long-term NHS workforce planning.

The Government's Autumn statement committed to publishing long-term health workforce plans, something that BHF and partners have been advocating for. We successfully ran a pilot census of 10 NHS trusts, assessing the feasibility of data collection about the cardiologist and specialist cardiac nurse workforce, and are now working to roll this out across the wider NHS in England. Our project to map out the cardiovascular research workforce is also underway, commissioning the Career Research and Advisory Centre to analyse data on non-clinical and clinical researchers and cardiac research nurses.

Help on hand

Our database of defibrillators is accelerating access to these vital lifesaving devices, to help people faster when every second could mean the difference between life and death.

The Circuit: The National Defibrillator Network has now been rolled out to all 14 ambulance services across the UK so that ambulance services can quickly direct bystanders to their closest defibrillator in the event of a cardiac arrest.

As of 31 March 2023, there were 62,954 defibrillators registered on The Circuit. We have consistently maintained an average of around 500 new registrations every week, putting us on track to meet our target of 100,000 defibrillators by 2024-25.

Our partners are making a huge contribution to this effort. PureGym has installed a defibrillator in every club across the UK and aims for them all to be live on The Circuit in 2023.

Virgin Media O2 has added more than 200 defibrillators to their UK stores, and trained hundreds of colleagues and customers on how to use a defibrillator and perform CPR using RevivR.

Virgin Media O2 has also zero-rated data charges to BHF website, meaning O2 customers can access RevivR, as well as our other health advice and information, without using their mobile data allowance. Gareth Turpin, Chief Commercial Officer, Mobile at Virgin Media O2 said:

[We're using our national network of high street stores to improve access to lifesaving defibrillators and make a real difference to the communities we serve. **We've trained hundreds of our people in lifesaving CPR** and zero-rated the BHF website, so millions more people can learn vital skills or offer help in an emergency without using any of their data.]

RevivR™

RevivR is our free, interactive, online CPR training tool. It teaches vital lifesaving techniques in just 15 minutes. All you need is a phone and a cushion, visit bhf.org.uk/revivr to learn CPR today.

During the year we've reached thousands of people with this fast and simple lifesaving tool. As of Spring 2023 over 200,000 people engaged with RevivR training and 55,000 people completed all of the training modules. Partners like Royal Mail, Travelodge and Tesco have significantly accelerated and amplified the reach of RevivR.

Additional partners are beginning to roll out RevivR to their employees, including E.ON and BT. Portsmouth University used the occasion of a Portsmouth FC game to encourage their 28,000 staff and students to learn lifesaving skills.

The NHS England Executive Group recently took the RevivR training ahead of an organisation-wide roll-out and the tool has been showcased in both the Scottish and UK Parliaments with MSPs and MPs promoting its use to their constituents.

Lifesaving Beats

Our Lifesaving Beats campaign, in partnership with Spotify, used the power of music to inspire the public to learn CPR to their favourite songs.

With millions of UK users, Spotify helped BHF reach a wide audience of new lifesavers. The campaign generated significant attention with major artists including The 1975, Becky Hill, Calum Scott and more supporting the campaign.

This collaboration builds on our past advert starring Vinnie Jones that encouraged people to learn CPR to the rhythm of Stayin' Alive by the Bee Gees.

Here when you need us

With so many people affected by heart and circulatory diseases, the work of BHF has never been more needed. Through the information on our website and in our booklets, and our dedicated Heart Helpline nurses, we are helping people access resources and reassurance every day.

"After having a heart attack out of the blue in my thirties, I had a lot of unanswered questions … like things about medication. BHF really did play a major role in helping me with my recovery. By reading about other people in my situation—and I was able to talk to some—they made me realise that you can live your life after a heart attack".

Hina Shah, heart patient

"As a cardiac nurse my role varies from day to day. We see more and more people turn to our services to support them through their health journeys. Being able to help heart patients and their loved ones when they need us the most makes every day worthwhile and that makes me proud to be part of the BHF team".

Suad Ali Warsama, Cardiac Nurse

Our future focus

Our continued focus to promote information and provide support to heart and circulatory disease patients will be accelerated by:

Increasing people's chances of surviving out-of-hospital cardiac arrest (OHCA) by:

- Scaling RevivR (our accessible, digital CPR training product) to engage with different audiences
- Developing a multi-agency governance and funding structure for 'The Circuit' the National Defibrillator Network to ensure the ongoing identification, locating of and use of defibrillators
- Working innovatively with our partners to reduce the burden of out-of-hospital cardiac arrests

Helping more people to manage their cardiovascular condition by:

- Ensuring BHF is meeting patient requirements at key points of need with our information and support offer
- Catalysing change in patient facing NHS services through the co-development of ideas with front line clinical colleagues
- Working with the British Cardiovascular Society (BCS) to scope our role in supporting digital innovation in cardiovascular services

Supporting people to reduce their risk of cardiovascular disease by:

- Targeted policy development and influencing, particularly hypertension, obesity and the NHS workforce
- Monitoring the delivery of NHS England's Long Term Plan and nation equivalents
- Providing health insight, intelligence and evaluation
- Building on the success of our health partnerships with Tesco, PureGym and Royal Mail to reach more of the UK workforce with life improving health initiatives

Our mighty network of support

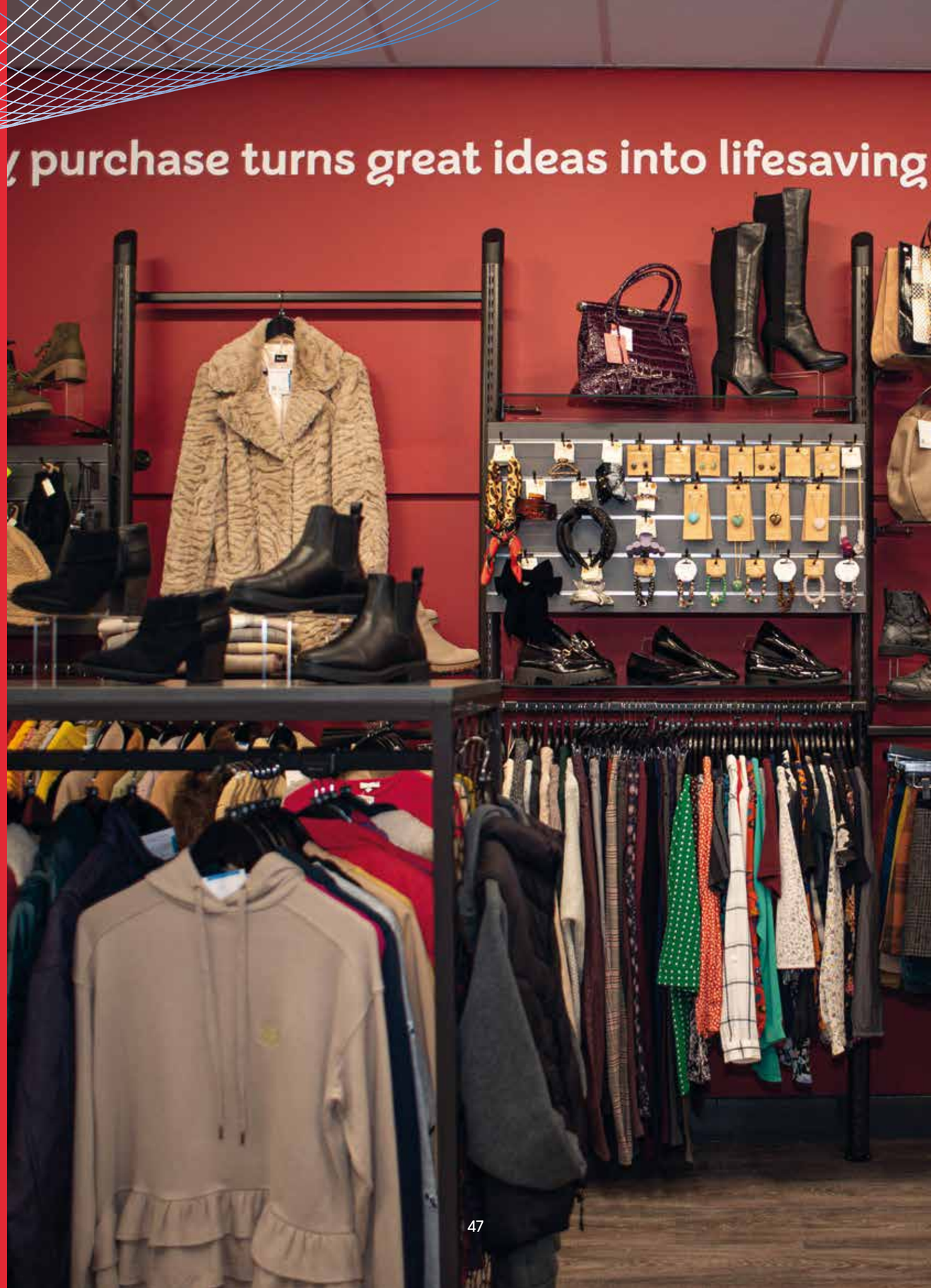
Our amazing fundraisers, shoppers and supporters are the beating heart of everything we do. Their passion, determination, and belief in our mission make lifesaving breakthroughs possible. And even during the toughest times, faced with myriad economic challenges, our supporters continued to run, swim, cycle, shop and rally together for people affected by heart and circulatory diseases. Here are just a handful of the courageous ways our supporters got involved and helped raise vital funds for our lifesaving work.

Income

Thanks to the phenomenal efforts of our staff, volunteers, partners and our supporters, we generated an incredible £144m net income to power our lifesaving work. Our razor-sharp focus to work in partnership and accelerate fundraising in a bid to save even more lives has never been more crucial.

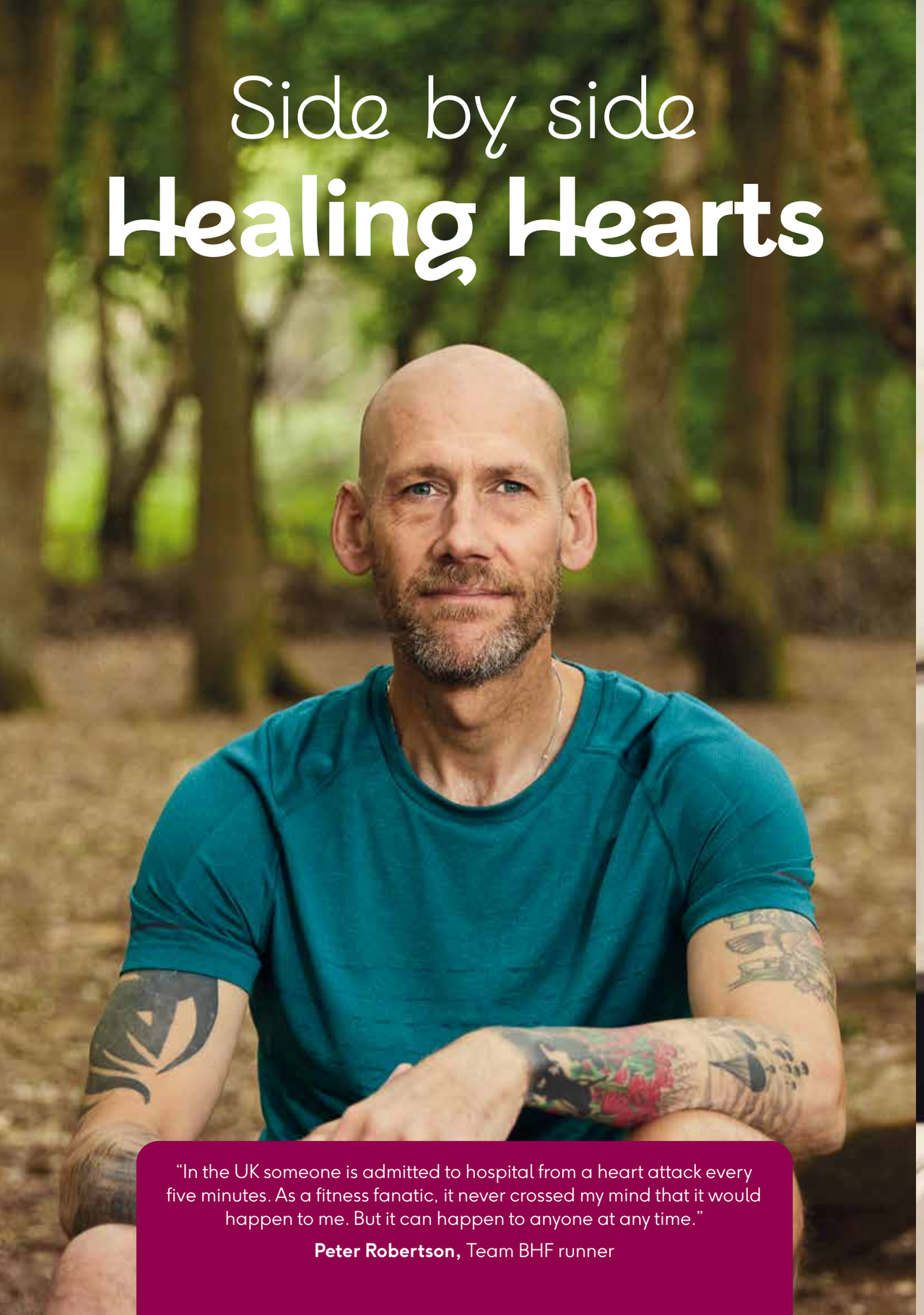
There were five key areas of focus for 2022-23. Read more about how we grew income and support on pages 50-69.

- Transforming the public's perception of BHF to increase their consideration to support our work – *pages 50-52*
- Significantly enhancing the quality of customer experience across the whole of our customer base – *pages 54-55*
- Strengthening our engagement and relationships with philanthropists and corporate partners – *pages 56-61*
- Adapting our retail offer by growing our online presence – *pages 62-65*
- Evolving our retail volunteer offer to meet the needs of future volunteers – *pages 66-69*



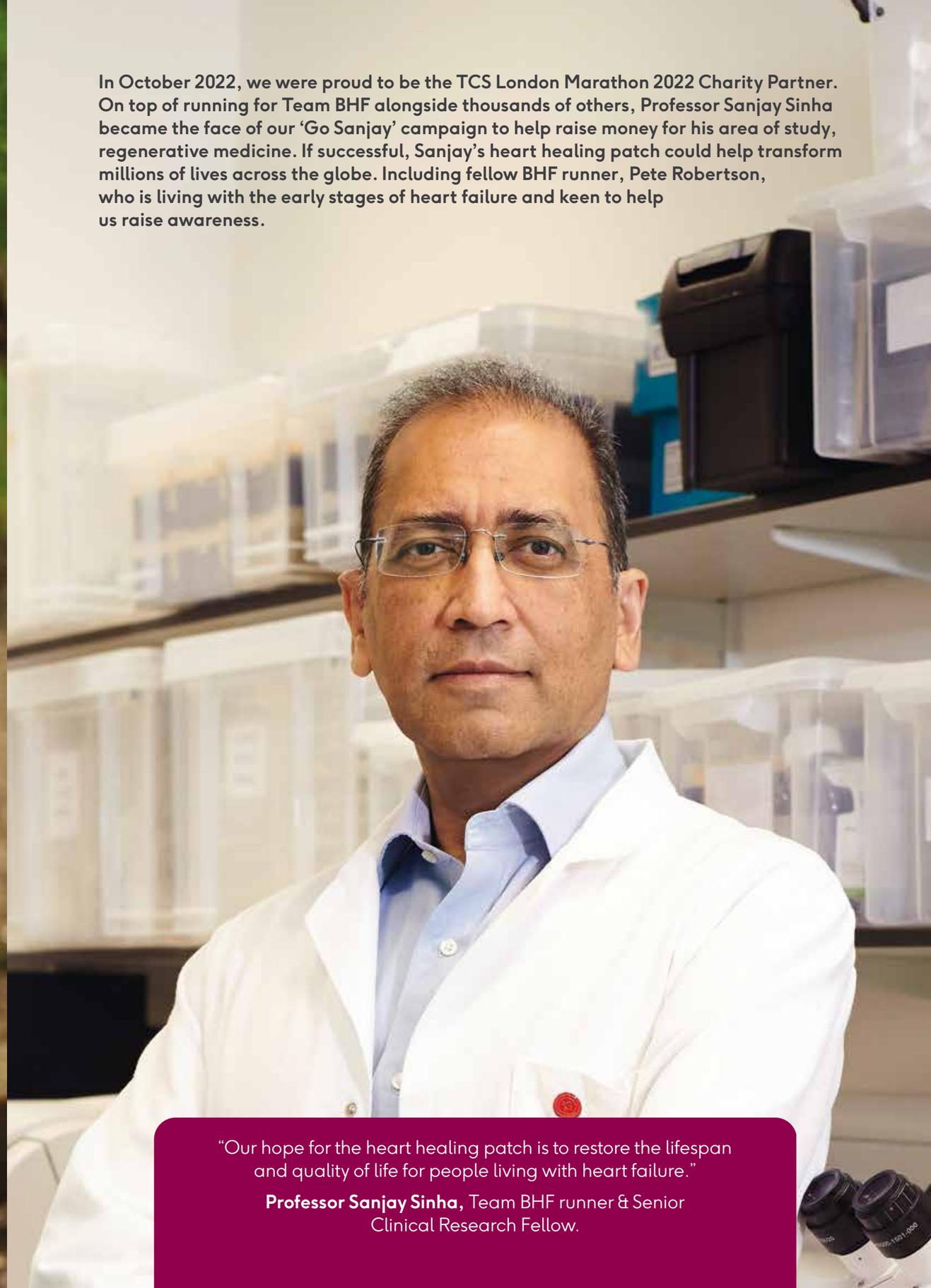
Side by side
Healing Hearts

In October 2022, we were proud to be the TCS London Marathon 2022 Charity Partner. On top of running for Team BHF alongside thousands of others, Professor Sanjay Sinha became the face of our 'Go Sanjay' campaign to help raise money for his area of study, regenerative medicine. If successful, Sanjay's heart healing patch could help transform millions of lives across the globe. Including fellow BHF runner, Pete Robertson, who is living with the early stages of heart failure and keen to help us raise awareness.



"In the UK someone is admitted to hospital from a heart attack every five minutes. As a fitness fanatic, it never crossed my mind that it would happen to me. But it can happen to anyone at any time."

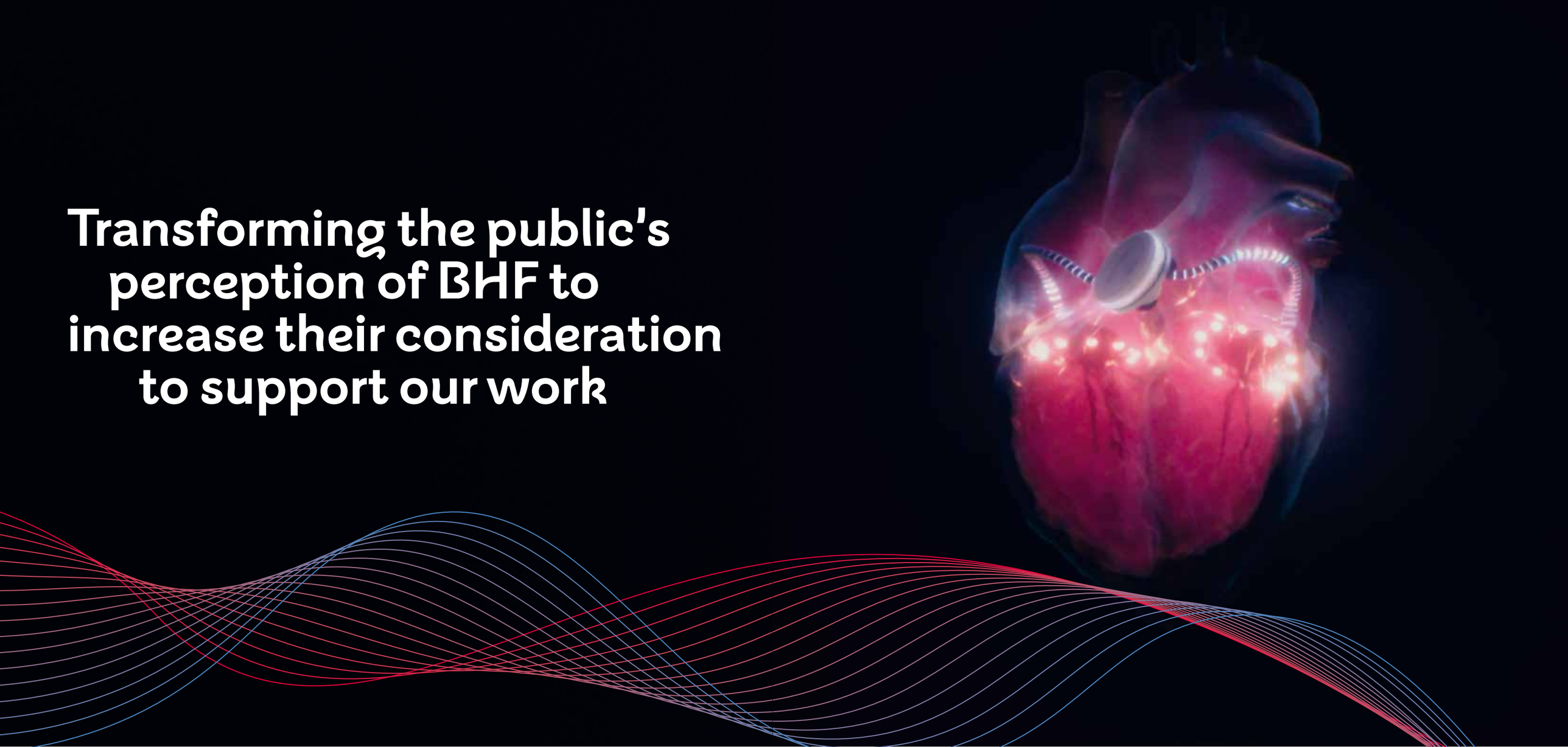
Peter Robertson, Team BHF runner



"Our hope for the heart healing patch is to restore the lifespan and quality of life for people living with heart failure."

Professor Sanjay Sinha, Team BHF runner & Senior Clinical Research Fellow.

Transforming the public's perception of BHF to increase their consideration to support our work



Bringing our story to life

Over the last couple of years, we have been on a journey to make BHF matter more to more people. Telling a simpler and more compelling story is one way that we can involve, inspire, and engage a wider community of supporters. Our TV advertising campaign, This is Science, has proven to be an effective way to spread our message and increase awareness ultimately with the aim of raising more money to fund lifesaving research. And this is just one of the improvements we have made to improve the simplicity of our message.

London Marathon

Around 800 BHF runners took to the streets for the iconic 2022 TCS London Marathon on Sunday 2nd October. As the 2022 Charity of the Year, our runners raised £2 million to fund lifesaving science into regenerative medicine, a cutting-edge field of research that has the power to unlock a cure for heart failure.

Among our marathon runners was Professor Sanjay Sinha from the University of Cambridge, who is leading ground-breaking research into the Heart Healing Patch. Made of stem cells, the patch could be applied to the heart to repair damage caused by heart attacks. Poignantly, Sanjay's running number was 17,000, which is the average number of people diagnosed with heart failure in the UK every month.

A gift that keeps on living

Last Christmas, we asked people to give the gift of a longer life for people with heart conditions, by helping to fund our ground-breaking research. 'The gift that keeps on living' perfectly encapsulates both the real experiences our survivors and their families have kindly shared with us, and the life-changing impact of donations.

Legacy support

To receive any legacy is truly humbling and a testament to a supporter's generosity and their belief in our ability to change lives.

Gifts left in supporters' wills remain our largest single source of income, with £95m received during this last year. We remember with much gratitude the people who have left us a gift in such a profound way, and thank those who have helped us realise the potential of such generosity.

Heart Month

February is Heart Month and thousands of supporters decided to Go Red to help fund lifesaving research, and learn CPR to save lives. Buildings up and down the country were bathed in red light to celebrate our work. An astonishing 10,000 people learned CPR with RevivR, setting a new monthly record. In addition BHF Ambassador and football legend Graeme Souness encouraged the football community to learn CPR.

Our amazing corporate partners helped us raise thousands of pounds for lifesaving research.

Allbeauty raised vital funds during February through their 'Gift Your Heart Out' campaign.

Crew Clothing helped raise funds and vital awareness by starting conversations with colleagues about their own experiences of heart and circulatory diseases.

Next generously chose BHF as the beneficiary of its February charity bouquet as part of Heart Month.

Across the nation PureGym held over 800 individual classes and events, raising lifesaving funds for BHF.

Heart Month coincided with the launch of our four-year partnership with Royal Mail, with a BHF postmark being introduced on stamped mail. Colleagues hosted 'Go Redder' fundraising activities and completed RevivR training.

Tesco inspired the nation to take care of their heart health, sharing heart healthy recipes and encouraging customers to get a free blood pressure check at their local Tesco pharmacies.

Thank you for making Heart Month 2023 spectacular.

Significantly enhancing the quality of customer experience for everyone

We want our supporters to have an outstanding experience with BHF.

Caring for our customers

With our retail operations playing such a vital role in funding our lifesaving research, we remain focused on improving the experience for all customers, whether they are shopping online or in store.

3,700

Our most recent customer survey, completed by around 3,700 respondents (78% of which were retail customers) showed that our customer satisfaction level sits at 83%. While this is slightly under our target of 85%+, it remains above the national average of 78% (calculated by the Institute of Customer Service).

83%

Customers highlighted a broad range of service areas that they are very satisfied with, including furniture collections, our friendly and professional colleagues, prompt and purposeful communication, insightful information, and our responsive customer service team.

We've been working on a number of improvements to our collections service. These include a new app to help drivers communicate with customers, post-collection surveys, and a centralised collection booking service, which manages to both simplify the booking process for customers while reducing the workload on our in-store teams.

Powering **transformational change**

Thanks to the generosity of our supporters the decade ahead has the potential to be truly transformational.

Philanthropic support has powered lifesaving research, funded talented PhD students and backed our information and support services to be there for people when they need it most. Our visionary community of philanthropists champion research at all stages of its development, enabling true change for people and their loved ones affected by cardiovascular diseases. We would like to express our sincere thanks to those who choose to support BHF's funded research.

CureHeart
Supporting a revolution in cardiovascular genetics.

Mr Edward Broster

Mr Graham Elton

Ms Clare Scherrer

The Peacock Charitable Trust

Regenerative medicine
Supporting breakthrough discoveries.

Heartbeat East Suffolk

The Kathleen Laurence Trust

Leading support for BHF studentships and fellowships
Empowering early career researchers.

The Masonic Charitable Foundation

Rosetrees Trust

The Shanta Foundation

Fund the Future Club Members
Supporting talented researchers at institutions across the UK.

Mr Andrew Cripps

Mr C Fidler

Ms Jill Marx

Mr Malcolm Strong

Mr Lance Trevellyan

Funding BHF Cardiovascular Catalyst Awards
Powering advanced analytics.

Mr Adrian Beecroft

Bristol Myers Squibb

Dr. Doug Gurr

With special thanks

Audrey Wilson Charitable Settlement

Edith Murphy Foundation

The Gerald and Gail Ronson Family Foundation

The Harry Bacon Foundation

The Lidbury Family Trust

Moondance Foundation

ShareGift

Welcoming BHF's first patrons

This year we were pleased to appoint leading business figures, Lord Hintze and Shane Thakrar, as our first Patrons.

Both Patrons will use their voluntary positions to raise awareness of our lifesaving work, build new networks of supporters and raise funds for innovative areas of science. They will advocate for some of our most exciting and ground-breaking areas of research – including in artificial intelligence, gene editing and regenerative medicine. These leading philanthropists are the first of what we hope will be a small network of Patrons committed to our cause.

"I'm honoured to become one of BHF's first Patrons. I look forward to using the position to increase support for transformational areas of research, to tackle some of the world's biggest health challenges."

Lord Hintze, BHF Patron

"Heart disease has had a profound impact on my family and me. It's therefore a privilege to help BHF raise awareness and funds for its cutting-edge research."

Shane Thakrar, BHF Patron

Community fundraising

Between April 2022 and March 2023, our BHF Fundraising Groups have raised approximately £335,000. This brilliant figure is thanks to everyone in our Fundraising Groups and Branches busily organising events and supporting with collections. Groups have organised more than 120 events across the UK, including walks, coffee mornings, and golf days all raising vital funds for lifesaving research.

Heart of the Tyne Business Board

Heart of the Tyne Business Board

After David Brind had a cardiac arrest in 2017, he and his good friend Stuart felt inspired to find ways to raise funds for BHF. They started the Heart of the Tyne Business Board who as well as organising fundraising events, raise awareness and improve education around heart and circulatory diseases. The board has so far raised an incredible £70,000. BHF now has Business Boards in Bristol and Oxford with more planned in the coming year.

In memory of Jenna McKay

Jenna McKay was just eighteen, enjoying a weekend break in April 2011 when she passed away from an undiagnosed heart condition, leaving all who knew her devastated. Family and friends started fundraising in her memory. Their first event was a sponsored walk around Millport, Scotland with annual fundraising ventures taking place ever since, including a golf tournament at Erskine Golf Club. They've also held a charity ball, completed sky dives, scaled Ben Nevis and cycled from Glasgow to Edinburgh. This past year they reached an incredible milestone £170,000 raised for lifesaving research in her memory.

Lee's Army

The HSBC Lee's Army Three Peaks Challenge raised £20,000 in memory of Lee Jones, bolstered by £16,000 of matched funding from HSBC. The group is already planning their next fundraising event.

Knitting to fund research

Brian and Ruth Thurtle's son James died unexpectedly in 1998 from an undiagnosed heart condition, he was just 20 years old. His parents, from Norfolk, have spent the last 24 years raising more than £30,000 from novelty knitting, in his memory. Across the year they make and sell about a thousand knitted items to fund lifesaving research.

Jenna McKay

Powerful partnerships

We are delighted to have been chosen by Royal Mail employees to become its national charity partner from 2022-2026.

Our partnership will cover a number of key pillars: fundraising, employee health, community health, volunteering and pro-bono support. Our ambition is to raise £2 million together over the four-year period to fund the Community Hearts Programme.

The programme aims to:

- Deliver CPR training for one million young people
- Fund hundreds of community defibrillators
- Develop accessible heart health information for the nation

Andy – Postie and supporter of BHF

Partners create possibilities

Corporate partners play a huge role in helping us power the science that saves lives. Over the last year we've received impactful support from the following organisations:

Admiral Slots

Colleagues chose BHF as their charity of the year in August 2022 with a commitment to raise £100,000 through employee fundraising.

Arora Ball

BHF were honoured to be one of the beneficiaries of the Arora Ball in November 2022 alongside Diabetes UK and Thames Hospice, which raised over £1.25m for the three charities.

BAM Construction

Team BAM have raised a fantastic £145,000 over their two year partnership, through a variety of fundraising activities, including two Golf Days. Colleagues at BAM also learnt vital lifesaving CPR skills as part of the partnership.

Marks and Spencer

We are a founding member of the M&S sparks scheme, which continues to raise vital funds for BHF.

NatWest

NatWest has been actively supporting the BHF through donations since 1989 raising a total of £293,000 through their loyalty card. This year alone they raised £43,000. Thank you to NatWest staff and customers for your ongoing support, thank you to staff and customers for the ongoing support.

Omaze

In December 2022, we were proud to partner with Omaze for a second partnership campaign, raising an outstanding £2 million to help fund groundbreaking research to save and improve lives across the UK. Combined with our first successful partnership campaign in 2020-21, the Omaze community has surpassed all our expectations by raising an 'omazing' £3 million for BHF.

PureGym

This year we celebrated our one-year anniversary with PureGym and the launch of several fantastic initiatives to inspire the nation to live a healthier lifestyle. In the summer we launched the Healthy Hearts Programme, a training programme providing PureGym app users with recipes, blogs and workouts that help people look after their heart health. The Recycle for Research project also launched, enabling members to drop off their preloved items at their local gym by placing a retail donation box in each PureGym club across the UK. Our big fundraising moment 'Summer of Love' took place in July. PureGyms nationwide came together to raise money by hosting charity classes, taking on challenges and running 14 staff sports days across the UK.

Sleepeezee

We are delighted that our continued lifesaving partnership with Sleepeezee has raised over £25,000 in the past year.

SunLife

We're very proud that in the first year of our partnership, together we've raised £150,000 to support BHF's groundbreaking work.

Tesco

Our sector leading health partnership with Tesco, Cancer Research UK and Diabetes UK has raised over £25 million for the three charities since 2018. In March 2022 we began the roll out of a bespoke pharmacy training programme 'Let's Talk' which aims to train pharmacy colleagues with the skills to have conversations with customers about cancer, heart and circulatory disease, and type 2 diabetes.

Travelodge

Our amazing partnership with Travelodge has now raised £800,000. Travelodge continues to be an incredible supporter of our RevivR app, training over 1500 staff and customers in lifesaving CPR.

A record year across all our commercial activities

Thanks to the enormous contribution of our donors, shoppers and team members last year we saw record income across all our areas of activity.

Growing our retail operations

It has been another successful year of growth for our retail operation across our Clothing and Home formats as the combination of incredible choice, value and sustainability was delivered in community locations, continuing to attract a huge range of customers.

During the year we also benefited from strong donation support from both individuals and our many corporate supporters, and a rapidly changing and increasingly diverse volunteer population who provide such invaluable support to our shops.

We continued to invest significantly in our retail operation through 9 new store openings (including 3 re-sites) and new retail formats together with major refurbishments to many shops, actions that are aligned with our continuous improvement model.

Online

Overall, our online sales grew by 36% to £13.4m, including 44% year-on-year growth through our eBay shop that focuses on selling high value and unusual donations, including the sale of a Cartier watch for £9,767, the highest value item we've sold to date. This successful year reinforced our position as eBay's largest charity retailer worldwide.

We also continued investing in our in-store technology, such as Wi-Fi, to enable our colleagues to make the most of online retail opportunities by listing and selling directly from all our 677 shops.

Our new goods online shop grew by 13% driven by strong sales of medical devices such as defibrillators, blood pressure monitors and ECG monitors.

Commercial health services

Our Commercial Health at Work Team continued their focus on expanding into new sectors and growing the number of business-to-business orders to organisations focused on providing health services and improving survival rates in the event of a cardiac arrest.

Purchases by businesses saw defibrillators placed at locations across the UK. BHF is working with retailers such as Screwfix and Virgin Media O2, who have placed them in all their shops, and Arriva rail who placed 45 defibrillators in selected stations around London.

The team also grew the delivery of on-site health checks with organisations such as SSE plc to offer free heart health checks for their colleagues who want to know more about their cardiovascular health and helping to identify risk factors such as high blood pressure and high cholesterol.

Stock partnerships

Our shops and online sales operations can handle almost any type of donation, enabling us to support a wide range of organisations and their environmental, social and corporate governance strategies.

During the year we received major stock donations from a wide range of organisations including Charles Tyrwhitt, boohoo group plc, Amazon, Happy Homewares, Novati and Snugz for which we are particularly grateful. OCS donated 500 beds, mattresses and furniture items used during the Commonwealth Games that we were able to sell for £100,000.

Our Pack for Good campaign continues to encourage universities and their students to donate items throughout the year. We are delighted to have onboarded 8 additional national partnerships with student accommodation providers this year. Overall, the campaign has generated 262,000 bags of donated items this year.

Sustainability

Our core activity of selling pre-loved items makes a huge contribution to sustainability, and last year we sold over 55,000 tonnes of donated items, including nearly 190,000 sofas, nearly 4.4 million books and over 10 million items of clothing.

But we look to deliver that core activity responsibly in all that we do. This is discussed more fully on pages 82-84.

Welcoming more volunteers

Volunteers are the lifeblood of our organisation. So it is vital that we continuously improve the offer to our current and future volunteers.

Lou Hovell

Volunteers at the heart of BHF

We recognise that the world of volunteering has changed significantly over recent years, as has the value we place on our time. Our volunteering strategy is to make gifts of time 'easy, flexible and inclusive'. Whether you have an hour to donate occasionally, are given employer supported volunteer days, are a business developing your Corporate Social Responsibility (CSR) agenda, or if you would love a more regular commitment, we have volunteer opportunities to suit everyone.

Our new Action Team initiative invites people to express an interest in one-off volunteering opportunities in their community. More than 6,000 people have already signed up as of spring 2023.

We want all of our volunteers to have an incredible experience, know that every hour they donate is valued, and truly feel that they are making a difference to BHF.

Operation Elf

Our Christmas Elfing Campaign, which aims to increase volunteer numbers during our busiest trading period, achieved a record number of volunteers. More than 400 volunteer 'elves', consisting of corporate partners, BHF staff and students, lent a hand in our shops and stores over the festive period.

Leading the sector in inclusive volunteering

We hosted an important session at the Charity Retail Association (CRA) Conference, talking to other charity retailers about our Supporting Volunteers with Additional Needs Programme and how we operate a support plan model to ensure appropriate help is provided to those who need it.

Thanking Lou & Joan

Lou Hovell, one of our treasured shop volunteers, recently celebrated her 100th birthday. Lou began volunteering for us a phenomenal 27 years ago, spending five days a week doing every possible role. Despite intending to retire two years ago, Lou still finds herself popping in to the Bury St.Edmonds shop to lend a hand from time to time.

107-year-old Joan Willett was honoured in April with a Prime Minister's Points of Light Award – to acknowledge her incredible fundraising achievements – raising more than £60,000 for BHF research by walking a steep hill outside her Hastings care home in the months leading to her 104th birthday. She received the award from her MP Sally-Ann Hart (who nominated her for the award after being contacted by us) at a celebration party attended by fellow residents, friends and some of her BHF family. Both the BBC and Channel 5 were there to capture the event – and to interview Joan who gave an emotional speech thanking everyone for supporting her on her BHF journey.

Joan Willett

Side by side
Volunteering at the heart

We're a community of talented, diverse and ambitious people growing together to fund lifesaving science.

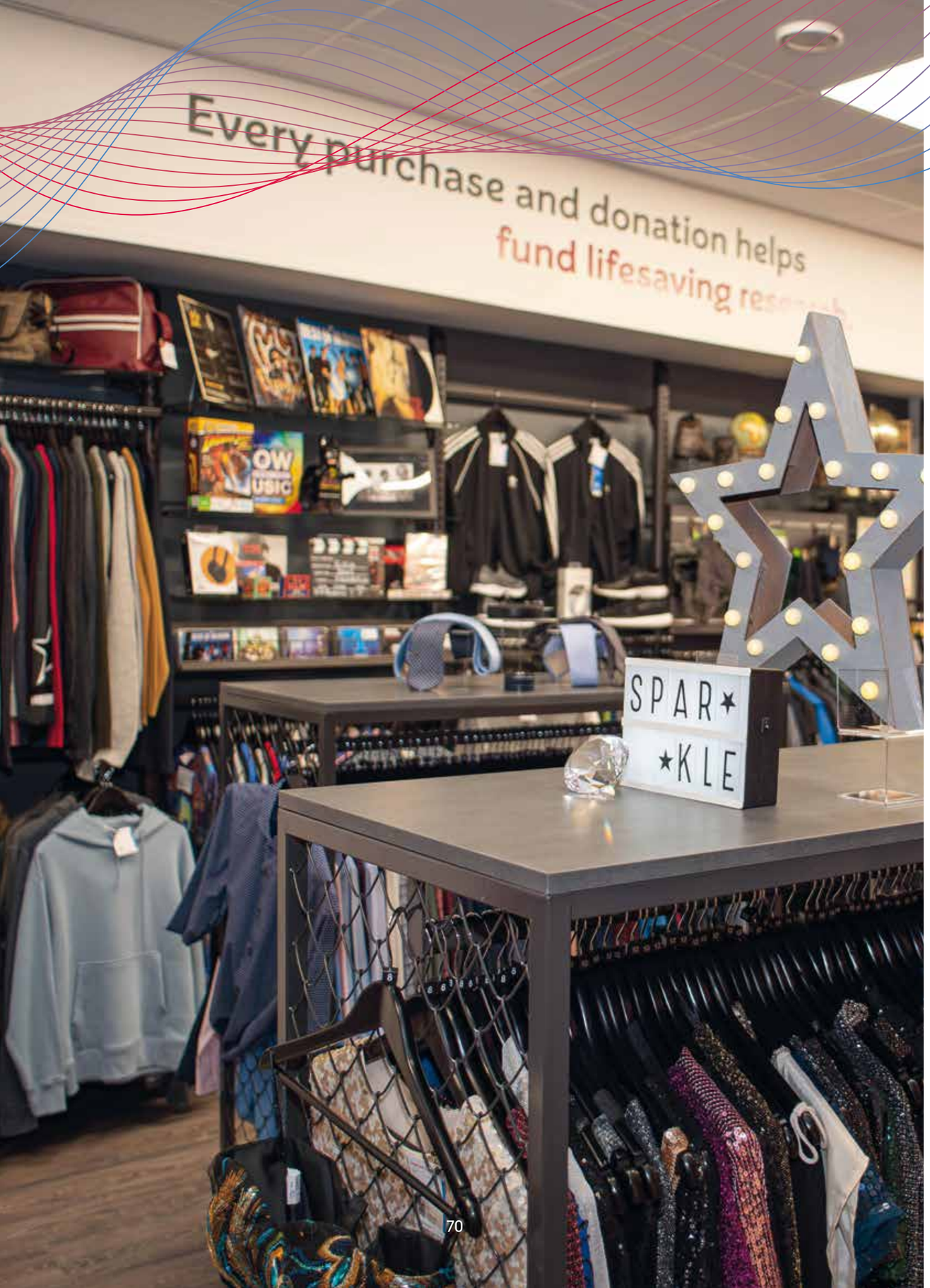
In our day-to-day lives, we all know how to innovate, collaborate, look out for one another, make ourselves heard and use insight to make decisions. These are skills we can all bring and skills we want to empower in every one of us.

"I love volunteering as I get to meet new people all the time. I also get to help my local community and that is really important to me. Volunteering lets me experience lots of new things and have a go at doing things I haven't done before. Being a volunteer at BHF is very special to me, I feel like I'm following in my grandfather's footsteps as he too used to volunteer for the charity, so it's nice to be doing something that I know he did."

Dion Holberry, volunteer

"Volunteering is a really good way to integrate into the community, interacting with people who help you know how society works you get an idea how the locals think. I think that's very important to becoming fully integrated into society."

Raul Granados, from El Salvador – where he was a Salvadoran Air Force Pilot



Our future focus

We will continue to focus our attention on raising awareness of our mission and raising funds to power our lifesaving science:

Generating more fundraising income, with an increased proportion from high value audiences by:

- Focussing on four integrated moments to drive income and greater consideration to donate
- Philanthropy activities that aim to raise in excess of £50m in 5 years through supporting CureHeart, funding research talent (from PhDs to Professors) and regenerative medicine, and exploring data analytics, AI and the use of technology to accelerate scientific discovery
- Developing strategic partnership opportunities, such as Royal Mail, to both generate income and to further mission objectives (e.g. rolling out CPR, finding new audiences for information and support)

Generating more income from our commercial operations, with an increased proportion from online retail by:

- Continuing our new shop and store opening programme
- Improving how we receive, price and place stock online and how customers access, pay and receive goods
- Future-proofing our retail management system to help drive greater income

Ensuring our supporters have an outstanding experience by:

- Improving our understanding of supporters and personalising our offer through smarter marketing technology
- Making it easier for BHF supporters to access and use our products and services online
- Digitising the stock donation process, making it easier for people to give us stock

[We strive for **excellence**]

United together in our mission

We want BHF to be a safe, healthy, and inclusive workplace.

Our EDI strategy is a commitment to embedding equality and diversity into everything we do. We want to create an environment where everyone who works with us can succeed, regardless of their background. One of the ways we do this is by developing an open and inclusive culture.

Excellence

We are clear about our direction and what we need to achieve. We are Team BHF, we have a shared goal, supported by streamlined processes, a culture of continuous improvement and living our BHF values through everything we do. We're stronger working together.

We identified four key areas to focus on in 2022-23. Read more on pages 77-84 about how we made improvements to our ways of working.

- Improving equality, diversity and inclusion across BHF's work to accelerate change for researchers, patients, the public and colleagues – *pages 77-79*
- Continuous learning from hybrid working to keep colleagues highly motivated and effective – *page 80*
- Powering up BHF's leadership, team management and performance capability – *page 81*
- Strengthening our culture of cost management, lean principles and continuous improvement – *pages 82-84*

Igniting change

In May 2022, we launched Igniting Change, our first equality, diversity and inclusion (EDI) strategy, to set out our roadmap of the changes we want to see by 2025.

Igniting Change for our colleagues

We want BHF colleagues to have fair progression opportunities and to embed a more open and inclusive culture.

Ethnic diversity and representation have started to improve within our workforce, including in our leadership team. We have improved the representation of Black colleagues in our Senior Leadership Group (SLG) from 0% to 2%. Our goal for 2025 is for this to be at 3%, in line with the UK population.

Our median gender pay gap has almost closed. It is currently 0.1% in favour of women. Our ethnicity pay gap has moved from 9.6% to 12.2% in favour of ethnic minority groups in the last year. Colleagues in ethnic minorities make up 10% of the overall workforce, but account for 14% of staff in the upper pay quartile.

Igniting Change in cardiovascular research

By 2025 we want to have encouraged greater inclusivity in the research we fund, as well as how the research is designed, to encourage greater representation and inclusion in the research community, as well as in the wider cardiovascular community.

We have collated and analysed diversity on our research funding committee members and BHF-funded research workforce for the last three years. We will use these findings to identify diversity gaps and take action to close these gaps.

We are working with several external policy groups to implement best practice, such as Equality, Diversity, and Inclusion in Science (EDIS). And we're driving global changes by partnering with other CVD research funders across the world addressing inequalities in women's cardiovascular health.

Igniting Change by engaging and involving others

We are at the start of our journey to reach more people with our patient information and support.

We completed a significant strategic review to inform where we can improve.

We are also looking to be more representative in the patient stories we tell to demonstrate people's experiences of cardiovascular diseases.

Igniting Change in cardiovascular health

By 2025, we want to be seen as a leading authority on cardiovascular health inequalities, shaping and developing the right plans for tackling them in the UK. This effort is central to our influencing plans.

A key highlight in this first year was the launch of the NHS England's Inequalities Hub. This is a tool for policy makers and health professionals to highlight the socio-economic inequalities along the coronary heart disease pathway. In Wales, BHF leadership secured a commitment to address gender inequalities in heart diseases in the Welsh government Quality Statement for women and girls.

Building an inclusive and supportive environment for every colleague to succeed

Many heart and circulatory diseases are diseases of inequality. We are committed to funding lifesaving science for everyone, and we are committed to being an inclusive employer.

At BHF we want to ensure our workforce reflects the general population of the United Kingdom, so we can better represent the experiences and voices of the communities we support. A more diverse, inclusive, and fair BHF will not only improve the quality of what we do, but the impact we have.

Staff engagement

Listening to our colleagues, and understanding what matters, is always the first step in improving the employee experience.

Our wide-ranging employee survey received record support (69%), and attracted 19,000 comments and views.

Our engagement score, one of the most important measures we track, was maintained at 7.5 out of 10.

Becky's story

Becky Newham, Senior Manager, Planning and Performance: "I'm 38 and have been living with sight loss since the age of 8. I've worked with various individuals across the organisation to raise awareness of some of the challenges I face and improve some of our ways of working. For me to be fully included it requires support from everyone on an ongoing basis."

Heartfest 2022

In June we held our first **Heartfest**, an online festival that brought BHF colleagues together to celebrate our work and give everyone a chance to reconnect with each other and to our cause. The various interactive sessions featured colleagues, patients, researchers and supporters sharing inspiring stories, with music and wellbeing sessions adding to the festival feel.

Celebrating Pride

Pride is a chance for us to learn and show support for the LGBTQ+ community. BHF colleagues took part in Pride events across the country, including Edinburgh and London Pride events.

We've created an outstanding people experience for Team BHF, engaged our colleagues and retained talented staff.

Hybrid working is keeping colleagues highly motivated and effective

Being Flexibly Connected

We're recognised as leaders in the field of hybrid working, winning the "Best Flexible Working Strategy" for our Flexibly Connected policy in the HR Excellence Awards.

Our insight tells us that Flexibly Connected is working successfully and is perceived positively by colleagues

We aim to improve the clarity of our communications starting with updating our flexible working policy to make it clearer. By continuing to be a flexible working employer helps us retain the best people, build strong teams, and deliver exceptional work to advance our goals.

Powering up BHF's leadership team and performance capability

Shaping our performance and development culture

We introduced the use of performance scales to our senior leadership community. Performance scales help to improve overall performance and provide the basis for meaningful conversations about our individual impact and professional development.

Leading Our Future

Launched in January 2023, Leading Our Future is our leadership and culture programme that unlocks the potential of our leaders as unique individuals, grows our collective ability to adapt and flex in complex and changing environments, and develops our leadership by surfacing and working on real-life BHF issues that offer the opportunity for change and improvement. Working in partnership with Mayvin, the programme takes an agile approach to its design and evolves in response to what happens within the programme and in the wider BHF.

Developing our people managers with Manager Best Practices

We worked closely with leaders and HR colleagues to create a new development tool for our people managers. The Manager Best Practices is a suite of resources to illustrate how the different principles of management relate to the day-to-day work of a people manager.

Technology

Technology at BHF is on a journey to improve maturity, practices and how we use technology across BHF to better support colleagues and volunteers. Importantly we aim to improve our systems to support the way people donate time, money and goods, through to the information and support that helps people manage their health.

To achieve this, led by our new Chief Technology Officer, Alex Duncan, we have developed a Technology Strategy to provide clarity as to the future role of technology for BHF. Whilst our current technology infrastructure is robust, in a large and complex organisation the challenges of a fast-paced and increasingly digital and data-led world requires ongoing investment. We are therefore developing an integrated enterprise-wide roadmap that sets out our technology investment priorities over the medium term, determining how and in what order we will deliver the organisation's ambitions.

Being a responsible charity

We've become a more socially, environmentally and financially sustainable organisation.

Our core purpose is to save and improve the lives of people affected by heart and circulatory diseases. We raise money to fund science to find cures and develop treatments for the world's biggest killers. And we are determined to do this in a responsible way.

Climate change, environmental sustainability and social inequality are some of the critical challenges of our time and are clearly highlighted in the UN's Sustainable Development Goals. Our own health is dependent on the planet we inhabit, and the way societies are structured, which are often unfair and unequal on its people. We recognise our responsibility and the important role we play in tackling these issues.

Our strategy to 2030 highlights our commitment to being a healthy and inclusive place to work and a leading force for good in society. We are proud of our progress in the area. Our retail activities contribute significantly to the UK's economy and communities, our new 'Igniting Change' strategy (read more on p.79) demonstrates our commitment to improving equality, diversity and inclusion in all areas of our work, and we have programmes underway to reduce the environmental impact in many areas – from our transport to our supply chains. But we want and need to do more.

'Being a responsible charity' sets out our roadmap for our People and Planet commitments, with details of initiatives, targets and measures in three key areas.

Under the pillars of Responsible Operations, Responsible Research and Responsible Partnerships, we are working towards our goals and are beginning to see progress.

Responsible operations

The year was marked by impressive progress on several projects, as we worked to embed sustainability into our core strategy.

In response to soaring energy costs, we formed an Energy Efficiency Task Force and launched an energy awareness campaign, You Have the Power, to share energy saving information with BHF colleagues and volunteers. They responded to the challenge enthusiastically, saving one gigawatt hour of electricity during a winter when temperatures were low and energy prices were high. That's enough energy to power a hundred light bulbs night and day for 11 years! Overall we were able to reduce our consumption by 10%, as further discussed on pages 91-93. We will continue to explore energy efficiency improvements such as sensors, split controls, and more effective heating to give our staff and volunteers more power to reduce energy consumption while providing a safe and comfortable working environment.

We have also begun our transformation to a green car fleet, (company cars allocated to retail managers who need them to fulfill their duties across different shop locations). The first 13 fully electric company cars are on the road and all new cars on order are either electric or hybrid. We have now started trialling our first electric vans.

We have been phasing out single use plastic carrier bags for three years. This year, we have been working our way through the last of our stock and replacing them with bioplastic carriers. 81% of shops have made the switch so far.

We are committed to avoiding waste, and re-using and recycling what we can. We do this as standard within our retail operations to maximise the value of donated goods. We also continue to work with our suppliers to increase the percentage of packaging made from renewable or easily recyclable materials, eradicating the use of bubble wrap by replacing these with cardboard shred and ensuring all boxes, void fill and protection materials used in our mailing activities are all sustainably sourced.

To maximise the value of donated goods we trialled a Make Do & Mend rail in 48 shops, targeting slightly damaged but good quality clothing in need of minor repairs. These were sold at a discounted rate for potential buyers to upcycle. The initiative proved very popular and is being rolled out to more shops.

We currently have 19 Zero Waste Stores that ensure all items are appropriately recycled and that as many donations as possible are sold on for a useful second life. These stores have been looking at how they can rescue more lower value furniture, such as by marketing the items as upcycling projects. We will be rolling out our Zero Waste Stores concept across 2023-24.

All traders to whom we sell clothing, books and other items within mainland Britain are now TRUST certified. TRUST is a transparency standard to boost safety and environmental risks associated with used goods. We are going beyond this to investigate how we can address potential ethical and environmental risks from the export of goods such as used clothing.

A trial to improve the sales of lower quality items is also doing well – where the lower end items are put into a jumble box and customers can choose as many items as they like for £5.

BHF bioplastic carrier

Responsible partnerships

We are collaborating with external policy working groups to share lessons and implement best practice.

Our governance process requires that our partners and suppliers share our commitment to promoting high standards in behaviour and social and environmental responsibility. This includes a zero-tolerance approach to all instances of modern slavery.

As further discussed on page 90, BHF is also committed to investing its funds in a responsible manner and for the investment portfolio to be managed in accordance with BHF's own charitable mission and values. This includes a formal exclusion on investment in tobacco and having regard to best practice in Environmental, Social and Governance (ESG) issues including regular monitoring of the portfolio's resilience to ESG and carbon risks. In addition, BHF's portfolio has many long-standing investments in companies that are at the heart of the energy transition, such as wind turbine manufacture and installation, and other holdings in companies well positioned to manage the transition because of their strong product offering, for example in electric vehicles.

Responsible research

Over the coming months and years, we will engage with our research community to raise awareness of environmental sustainability in research and consult researchers on effective measures to reduce the footprint of the research we fund.

To help us realise our responsible research ambitions, we have joined a cross-sector group, aiming to work in partnership with other funding bodies and research institutions to develop sector wide standards for best practice and tools for the measurement of the environmental impact of research.

Our future focus

We can inspire support, accelerate breakthroughs and save lives, when we work together. Team BHF is united in our shared vision and we'll continue to focus on these key areas that will help drive our performance forward:

Delivering an outstanding people experience through:

- Planning strategically for the skills, capabilities and talent BHF needs to thrive in the future
- Supporting the development of our leaders and managers
- Embedding our vision for easier, more inclusive volunteering

Carla, volunteer Nottingham

Accelerating our digital and technology transformation by:

- Embedding solid technology foundations, delivering greater interconnectivity between teams, increased pace and improved customer engagement and satisfaction
- Implementing our new data strategy to enable our people to make better informed decisions
- Continuing delivery of our Information Security programme, focus on maturing our Disaster Recovery and Business Continuity capabilities

Continuing to increase our social, environmental, and financial sustainability by:

- Implementing the activities identified in our Environmental, Social and Governance (ESG) roadmap
- Making at least £500,000 in new annual savings through continuous improvement (CI) activity while continuing to embed CI methodology throughout the organisation

Financial review

Overview

After a positive recovery from Covid in 2021-22, BHF continued to perform strongly throughout 2022-23. Overall, BHF generated total net income available for charitable purposes of £144.3m in 2022-23 (2022: £142.1m), an increase of £2.2m or 2% on the prior year. Legacy income reduced from £102.6m to £95.0m, following a record-breaking year in 2021-22, but this was more than offset by growth in fundraising (£5.0m), retail profit (£1.0m) and investment and other income (£6.7m).

The proportion of total income available for charitable purposes was 80% (2022: 81%), substantially exceeding our target of ensuring that at least 70p in every £1 is available to fund our lifesaving work. During 2022-23 we invested £133.1m (2022: £87.7m) in delivering our charitable mission, including net investment of £99.4m in medical research (2022: £62.4m). This reflected our strong and ongoing commitment to funding research into all heart and circulatory diseases and their risk factors, with £115.6m of new research grants awarded in the year (2022: £72.3m), including £30.0m for CureHeart.

In addition, £33.7m (2022: £25.3m) was invested in Healthcare Innovation, helping families affected by heart and circulatory disease with support and information. This resulted in an income and expenditure surplus for the year, before investment gains, of £11.2m (2022: £54.4m).

Overall net income in 2022-23 was £7.9m, (including a loss of £3.3m on investments) compared to net income of £68.5m in the prior year (including a £14.1m gain on investments). As set out in the Group Statement of Financial Activities, our total expenditure for this year was £370.1m (2022: £297.3m), of which £204.0m (2022: £178.3m) was directly attributable to our trading activities, primarily our retail business. When discussing our results, the figures in the table below are used because they reflect more clearly the performance of our retail and fundraising income streams during the year.

Statement of financial activity – Summary

	2023	2022	Movement
	£m	£m	%
Legacy income	**95.0**	102.6	(7)
Fundraising income [1]	**51.0**	46.0	11
Retail net profit [2]	**24.9**	23.9	4
Investment and other income [3]	**9.7**	3.0	223
Total income (net of retail costs)	**180.6**	175.5	3
Direct costs of generating funds [4]	**(36.3)**	(33.4)	(9)
Net income available for charitable purposes	**144.3**	142.1	2
% of total income available for charitable purposes	**80%**	81%	
Research [5]	**(99.4)**	(62.4)	(59)
Healthcare Innovation	**(33.7)**	(25.3)	(33)
Total charitable expenditure	**(133.1)**	(87.7)	(52)
Net income	**11.2**	54.4	(79)

Notes

1. Fundraising income comprises donations of £29.3m (2022: £26.0m), volunteer fundraising of £14.6m (2022: £15.1m) and income from fundraising trading activities of £7.1m (2022: £4.9m)
2. Retail net profit comprises retail net profit of £21.6m after Covid 19 government support (2022: net profit of £20.6m) and income from donations received in BHF shops of £3.3m (2022: £3.3m)
3. Investment and other income includes income from charitable activities of £3.7m (2022: £0.3m), investment income of £5.9m (2022: £2.6m), and other income of £0.1m (2022: £0.1m)
4. Direct cost of generating funds comprises total fundraising costs of £33.0m (2022: £31.3m) and costs of fundraising trading of £3.3m (2022: £2.1m)
5. Research includes £30.0m award for CureHeart in 2023.

Financial review

Net income

In 2022–23, we generated total income (net of retail costs) of £180.6m (2022: £175.5m). This represented an increase of £5.1m or 3% on last year.

Legacies remain our largest single source of income but at £95.0m were down 7% on the prior year. This followed a record-breaking year in 2021-22 when legacies had exceeded £100m for the first time, inclusive of the receipt of some significant individual gifts. Income from other fundraising activities increased by £5.0m or 11% in the year to £51.0m (2022: £46.0m), reflecting strong performance across several areas including philanthropy, corporate partnerships, community fundraising and individual giving.

In BHF Retail, we operate the largest charity retailer in the UK and the largest eBay charity retailer in the world. Overall, through the ongoing commitment of our retail teams and generosity of our supporters we achieved a profit of £24.9m (2022: £23.9m), significantly ahead of our expectations. Gross retail income, including donations received in BHF shops and stores was £225.6m compared to £200.1m in 2021-22, an increase of 13%. After adjusting for Covid related trading restrictions early in the prior period, like for like sales grew 11%, including 9% in our Clothing shops and an exceptional 14% in Home stores. In addition, our online channels remain fundamental to our growth plans, with total online sales of £13.4m in the year, up 36% on 2021-22. This includes sales of donated stock via eBay, as well as a growing contribution from a range of heart health products such as defibrillators, blood pressure monitors and portable ECG devices.

Total retail trading costs were £200.7m (2022: £176.2m), up 14% on the prior year. This increase reflected the challenge of significant and volatile inflationary conditions, with our energy costs more than doubling and the pressure of a very competitive employment market. The cost increase also included the withdrawal of Covid related rate relief granted in the prior year.

As at 31 March 2023, BHF operated 677 shops and stores (2022: 691), including 499 standard clothing shops (2022: 507) and 178 Home stores (2022: 184). During 2022-23 we opened 6 new shops and stores, re-sited 3 and closed 20 units. Whilst we continue to review the store portfolio with an ongoing objective of increasing lease flexibility and reducing fixed cost, we aim to build on the strength of the recovery through continuing to re-site into larger, better located units, as well as opening new stores in several improved and expanded formats.

Investment & Other income totalled £9.7m, up significantly on the prior period (2022: £3.0m). The growth included the benefit of improved investment returns as interest rates rose, together with £3.7m funding from the Department for Science, Innovation and Technology following our campaign calling on Government to safeguard charity-funded research as the sector recovered from the impact of the Covid-19 pandemic.

During the financial year, investment in the direct costs of generating funds increased by 9% to £36.3m (2022: £33.4m). As a result, BHF generated £144.3m of net income for charitable purposes in the financial year, a 2% increase on the prior year (2022: £142.1m).

Financial review

Charitable expenditure

During 2022-23, our charitable expenditure totalled £133.1m, up from £87.7m in 2021-22. The strong performance across all income streams meant that we were able to increase funding for new research by 60% to £115.6m (2022: £72.3m), including £30.0m funding for CureHeart. We also maintained our commitment to existing grants and continued to offer researchers the opportunity to apply for Covid-19 grant extensions. After adjusting for cancellations and discounting as outlined below, and including allocated support costs, research expenditure is reported as a total investment of £99.4m (2022: £62.4m). In addition, £33.7m (2022: £25.3m) was invested to fund Healthcare Innovation, covering a range of activities focused on promoting information and support for heart and circulatory disease patients.

As noted above, our five research funding committees awarded 172 new research grants worth £115.6m (2022: £72.3m), including supplements made to new and existing grants. The Chairs and Programme Grants Committee spent £29.0m funding a range of research projects including £7.6m for programme grants and £6.0m for special projects. Total research investment also included £32.7m for fellowships, £15.3m for project grants, £7.5m for clinical studies and £1.2m for translational awards (representing expected payments to the completion of future milestones). During 2022-23, 2 grants were awarded costed extensions totalling £0.2m due to the disruption caused by Covid-19. In addition, a £30.0m research grant was awarded to CureHeart, the winner of our Big Beat Challenge which will support a global team working on the first cures for inherited heart muscle diseases.

The total reported investment in research of £99.4m (2022: £62.4m) is different to the total new grants awarded because it reflects allowances for the experience that the majority of grants are not claimed in full, the application of a discount factor to reflect the long-term nature of the majority of the grant liabilities, as well as relevant BHF staff and support costs.

Beyond our core research funding, investment in Healthcare Innovation totalled £33.7m (2022: £25.3m). This covered a range of activities in support of heart and circulatory disease patients, including providing information and support through our webpages and launching the Let's Talk service to enable pharmacy professionals to give better information and support to anyone suffering with heart and circulatory disease. We also continued to invest in innovation through the development of The Circuit, our database of defibrillators, which has now been rolled out to all 14 ambulance services and RevivR, our digital CPR training tool in partnership with Laerdal which has been used by thousands of people this year.

Key activities also included evidence-based policy making and influencing of key government and health system decision-makers, including highlighting the issue of rising waiting lists for cardiovascular care, long waits for ambulances, and poor management of CVD risk factors.

In addition to this, we focused on hypertension, commissioning modelling to better understand how salt reduction could reduce hypertension, coronary heart disease and stroke, and supported sector-wide efforts to reduce junk food advertising, encouraging food manufacturers to reduce salt and sugar in their products, while also making healthier options more accessible.

We also initiated a policy research project to better define the cardiovascular workforce, and to help focus our influencing work on NHS cardiovascular care needs.

Balance sheet

As at 31 March 2023, total cash, deposits and investments were £315.2m, an increase of £29.4m in the year. This reflected strong operational cash generation, in particular from our retail business and legacies, offset by a loss of £3.3m on investments (2022: gain of £14.1m) due to volatility in the equity markets.

Our cash and investment portfolios are held to help us ensure we are always in the position to settle grant commitments, with an outstanding research grant provision of £307.1m as at 31 March 2023 (2022: £282.0m). Grants awarded are commitments by BHF to reimburse recipients for expenditure properly incurred in accordance with grant agreements. It is our policy to provide for the total expected commitment at the point a grant is agreed and communicated to the grantee. However, there is often a substantial time lapse between recording a new grant award in our financial statements and its subsequent payment, and the full grant commitment may not be utilised in full. These factors are reflected in the year-end provision.

At the end of the financial year, BHF Group is reporting total net assets of £125.6m compared to £117.7m last year. Total unrestricted funds in the Group balance sheet showed a surplus of £102.4m (2022: £100.2m). The increase in net assets principally reflects an increase in cash due to income from legacies and retail, offset by higher grant liabilities following the award of £30.0m for CureHeart.

Although total unrestricted funds have remained in surplus this year end, after careful consideration the Trustees remain of the view that a deficit on reserves is a position that could be maintained in the longer term, taking into account the relatively long-term nature of BHF's grant liabilities, our cash and investment portfolio and the considerable diversity of our fundraising activities, including legacies, which provide ongoing cash resources to fund research grant liabilities. Of the total research liabilities of £307.1m, £209.1m are long-term and will be funded, in part, by income generated in future years. As outlined in the reserves policy below, the key measure of sustainability for BHF is current and future liquidity cover.

Reserves and grant commitments

	2023	2022
	£m	£m
Equity growth portfolio (including cash held for investment purposes)	**136.7**	139.4
Short-dated corporate bond portfolio (including cash held for investment purposes)	**49.1**	19.4
Cash and cash equivalents	**129.4**	127.0
Total cash and investments	**315.2**	285.8
Grants – year end provision	**307.1**	282.0
Unrestricted funds	**102.4**	100.2
Total funds	**125.6**	117.7

Reserves policy

The Board of Trustees considers the key measure of sustainability for BHF to be current and future liquidity cover, rather than the surplus or deficit accounting position. Consequently, the Trustees have set an appropriate reserves policy, which is reviewed annually relating to liquidity, based on the relationship between readily realisable assets and the cash required to settle grant liabilities and sustain BHF's operations for an anticipated period, as explained below. The Trustees have decided that, after an allowance for future income expectations (including an assessment of the potential loss from an extended interruption to retail trade), BHF should at all times maintain cash and readily realisable assets sufficient to fund between not less than 12 and not more than 24 months of forecast cash outflow to settle grant awards, plus 12 months of non-retail operating costs (excluding direct costs of income generation). In the event of BHF facing difficult financial circumstances, these reserves would allow us to both meet our responsibilities to grant holders and for operations to continue during a period of managed adjustment to these new circumstances. Based on the current grants position, this policy requires us to hold between £126m and £162m in liquid and readily realisable assets. At 31 March 2023, our total cash, deposits and investments of £315.2m were significantly above the upper end of the reserves range. As part of our strategic planning process, the Trustees will continue to consider how these excess reserves can best be applied over the medium term to accelerate our charitable mission.

Financial review

Investment policy and performance

BHF held total cash, deposits and investments of £315.2m as at 31 March 2023, an increase of £29.4m on 2022. BHF has three portfolios: an equity growth portfolio, managed by Schroder Investment Management Limited, a short-dated corporate bond portfolio and a cash portfolio, both managed by Royal London Asset Management Limited (RLAM). The investment objective of the equity growth portfolio, which was valued at £136.7m as at 31 March 2023 (2022: £139.4m), is to provide real growth over a 5-to-10 year horizon. Overall, the growth portfolio generated a total return, net of fees, for the year ended 31 March 2023 of -0.6%, against a benchmark of -1.5%. In addition, the short-dated corporate bond portfolio with £49.1m held as at 31 March 2023 (2022: £19.4m), is constructed such that the coupon and maturity payments generated broadly match the forecast net cash requirements of BHF's research funding commitments over the medium term. The increase in the year reflects the transfer of £30m from cash resources to extend the maturity profile of the portfolio. The short-dated corporate bond portfolio generated a total return, net of fees, for the year ended 31 March 2023 of 0.0% (2022: -1.4%). The growth and short-dated corporate bond portfolios included a total of £1.8m of cash held for investment purposes as at 31 March 2023 (2022: £3.1m).

To balance short-term cash requirements and investment risks, we maintain a cash portfolio, with £111.6m held as at 31 March 2023 (2022: £101.8m). The cash portfolio is predominantly held in RLAM's Short Term Money Market and Short Term Fixed Income Funds, and is comprised of readily realisable investments which are reported within the total cash and cash equivalents on the balance sheet of £129.4m (2022: £127.0m). The investment objective of the cash portfolio is to preserve the absolute capital value of the assets, with the return benchmarked against the relevant SONIA (Sterling Overnight Index Average) rate. The RLAM cash portfolio generated a total return for the year ended 31 March 2023 of 2.4% (2022: 0.0%), against the benchmark return of 2.3% (2022: 0.1%). The total return on investments for the year (including net investment income) was a net gain of £1.7m (2022: £15.6m).

Our investments are governed by investment and treasury policies that are reviewed by the Trustees on an annual basis. The policies are designed to balance the objective of maximising investment returns against the risk and liquidity of the investments, including consideration of environmental, social and governance issues, as further discussed below. All investment managers are asked to demonstrate effective systems of control, including annual compliance with the requirements of the ICAEW Audit and Assurance Faculty assurance framework (or equivalent) on internal controls.

Responsible investment policy

BHF is committed to investing its funds in a responsible manner and for the investment portfolio to be managed in accordance with BHF's own charitable mission and values. This means having regard to best practice in Environmental, Social and Governance (ESG) issues. BHF currently employs Schroder Investment Management Limited and Royal London Asset Management Limited to manage the investment portfolio The investment managers are expected to encourage good behaviour in the companies in which they invest and should promote sustainability, good business ethics, good employment practices and the transition to a low carbon economy. Both firms are signatories to the Principles for Responsible Investment (PRI), integrate ESG and engagement fully into their investment processes and produce regular ESG reports. There is a formal exclusion on investment in tobacco (defined as a company deriving more than 5% of turnover from the manufacture of tobacco or tobacco related products) and the investment portfolio is regularly monitored for its resilience to ESG and carbon risks.

Pensions

BHF UK Retirement Plan, a defined contribution scheme, is available for employees to join at any time. Contributions made to the Plan during the financial year totalled £5.1m (2022: £4.6m). In addition, the Charity retains a funding obligation to BHF UK-defined benefit pension scheme ('the Scheme'), which was closed to new entrants from 30 June 2001 and to future accrual from 31 May 2016.

The Scheme remains subject to a formal triennial funding valuation, with the most recently completed being as at 1 July 2020. This showed a funding surplus of £2.0m, such that no additional employer contributions are currently required. The actuary carries out a separate annual valuation of the Scheme in accordance with 'FRS 102: Employee Benefits', in which different funding assumptions are applied. The FRS 102 valuation as at 31 March 2023 showed a surplus of £2.0m (2022: £10.9m). In accordance with FRS 102, this surplus is not recognised as an asset, on the basis that future economic benefits are not deemed available to BHF in the form of a reduction in future contributions or a cash refund. This is further explained in note 14 to the financial statements.

Charitable activity in Scotland

BHF has charity shops in Scotland and receives income from other fundraising activities undertaken in Scotland. In 2022-23, 27 research grants totalling £8.5m were awarded to the Universities of Edinburgh, Glasgow, Glasgow Caledonian, Dundee, Heriot Watt, Napier, St. Andrews, Stirling and Strathclyde.

Activity in the Isle of Man

BHF is registered as a charity in the Isle of Man and has a fundraising group there. During 2022-23, fundraising continued with the support of the community and ££482,000 was raised (2022: £20,000), including a large donation from a trust.

Trading subsidiaries

The British Heart Foundation has two wholly owned trading subsidiary undertakings: British Heart Foundation Ventures Limited and BHF Shops Limited. A third wholly owned trading subsidiary, London to Brighton Bike Ride Limited, was dissolved in August 2022. It had been dormant since 31 March 2020. The profit distributed to the Charity in the year from the subsidiaries was £17.4m (2022: £15.2m). Profits of trading subsidiaries are detailed in note 13 to the accounts.

Streamlined energy and carbon reporting

BHF is reporting for the third time under the Streamlined Energy and Carbon Reporting regulations. This requires an annual report on greenhouse gas emissions from Scope 1 and 2 Electricity, Gas and Transport. This report has been compiled in line with the March 2019 BEIS 'Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance', and the EMA methodology for SECR Reporting. All measured emissions from activities which the organisation has financial control over are included as required under The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018, unless otherwise stated in the exclusions statement. The carbon figures have been calculated using the BEIS 2022 carbon conversion factors for all fuels, other than the market-based electricity, which has been taken from EDF as the UK supplier. The intensity metric that BHF uses to normalise emissions for annual comparison is tCO2e per £1m turnover, this is considered the most appropriate metric for the nature of BHF activities and operations.

In comparison with 2021-22, our overall energy consumption has decreased by 10% or 3,230MWh, and our total greenhouse gas emissions have decreased by 8% or 287 tCO2e. Staff and volunteers were engaged in the energy awareness programme 'You Have the Power' which successfully reduced our energy consumption compared to the previous year and the green fleet transition was started with our first electric company cars.

BHF recognises the threats posed by climate change, pollution and resource depletion. We are therefore committed to operating responsibly in all that we do. Our medium term plans incorporate a relevant programme of activities, with progress on key initiatives reported on pages 82-84.

UK Carbon Footprint Data 2022-23

Source of Energy & Emissions	Energy Consumption (MWh) 1		GHG Emissions (tCO2e) 2	
	2023	2022	**2023**	2022
Combustion of Natural Gas	**4,120**	4,775	**752**	875
Combustion of Fuel in Company Vehicles*	**4,733**	4,038	**1,177**	1,135
Scope 1 Total	**8,853**	8,813	**1,929**	2,010
Generation of Purchased Electricity	**17,857**	20,382		
Of which from Electric Vehicles	**20**	1		
Renewable Electricity Percentage			**96%**	96%
Location-based Emissions			**3,452**	4,328
Market-based Emissions			**158**	174
Scope 2 Total	**17,857**	20,382	**158**	174
Combustion of Fuel in Staff-owned Vehicles*	**1,018**	1,762	**259**	433
Electricity Transmission & Distribution Losses	**–**	–	**316**	383
Well-to-tank Emissions of Primary Fuels	**–**	–	**611**	560
Scope 3 Total	**1,018**	1,762	**1,186**	1,376
Grand Total	**27,728**	30,958	**3,273**	3,660
Intensity per £m Turnover (Market-based)	**–**	–	**8.6**	10.1

Notes

1. Megawatt hour
2. Tonnes of carbon dioxide equivalent

* In previous financial years we accounted for our distribution vans under scope 3 as these are operated by a third party, however in the interest of transparency and accountability we have taken the decision to move these up into scope 1 as we have sufficient operational control to reduce these emissions as part of our carbon reduction plan. Similarly, staff-owned vehicles were previously included in scope 1 alongside company cars but more accurate data collection has allowed us to distinguish between these vehicles and therefore staff-owned vehicles have been moved to scope 3.

Principal risks and uncertainties

Going concern

The Trustees have reviewed our financial position and financial forecasts, taking into account the levels of investment reserves and cash, and the systems of financial control and risk management.

As a result of this review, the Trustees believe that we are well placed to manage operational and financial risks successfully. Accordingly, the Trustees have a reasonable expectation that the Charity and the Group have adequate resources to continue in operational existence for the foreseeable future, being a period of at least 12 months from the approval of the financial statements. As a consequence, the Trustees continue to support the going concern basis in accounting in preparing the annual accounts.

Internal control

The Trustees are responsible for ensuring that there are effective risk management and internal control systems in place to manage the strategic and operational risks the Charity is, and could be, exposed to.

Processes in place regarding risk management and internal controls include the following:

- A Risk Management Framework which meets the Charity Commission's requirements and follows good practice from the Institute of Risk Management (IRM).
- An Internal Audit function supported by BHF's internal audit partner Crowe UK, which delivers a risk-based audit programme approved by our Audit and Risk Committee. The Audit and Risk Committee reviews internal audit follow up by BHF management, as well as more detailed reports from senior management on key areas of risk.
- All major programmes and projects are scrutinised by the Executive Group and monitored through an Operations Board to ensure they are effectively planned and implemented.

Risk management at the BHF

BHF's risk management process is underpinned by a clear Risk Management Framework which sets out the process that we use to identify and manage risks in all our activities. Each directorate is responsible for tracking and managing their effective management of risk through individual Directorate Risk Registers. An overarching BHF Corporate Risk Register (CRR) is used to monitor the management of key operational and strategic risks to the BHF. The Trustee Board formally review the CRR annually and it is routinely reviewed by the Audit and Risk Committee and Executive Group on a quarterly basis.

In March 2023, the Trustees completed their annual review of the CRR. During this review, the Board has considered:

- the high and significant risks to which the BHF is exposed,
- the potential impact and probability associated with each risk,
- existing internal controls, and
- mitigating actions to reduce each risk to a level and a timeframe that the Board considers to be acceptable.

In 2023, the BHF continued to develop its risk appetite statements which align with our strategic plan. These statements form part of our strategic decision-making process, and we report on strategic risks outside our agreed appetite to the Executive Group and the Audit and Risk Committee.

The BHF proactively monitors new and emerging risks through the Incident Response Group which meets monthly to identify and discuss risks and to define the impact on the strategic objectives of the BHF and to drive strategic planning.

Principal risks and uncertainties

Risk	Management
Income & expenditure external factors significantly reduce income or increase costs, impacting on our ability to deliver our charitable mission.	BHF has recovered strongly from the negative external impacts of Covid-19 and international economic uncertainties with cash and investment reserves now at pre-pandemic levels. This performance reflected excellent cash generation from key income sources, including legacies and retail trading, together with the continued impact from principal risk mitigations, including: **Increasing income and reducing expenditure** • We successfully accelerated development of online platforms to support both our fundraising and Retail activities to support operational efficiency and drive data driven decision making. • Developing programme of energy reduction measures across the retail estate. **Monitoring, review and management of the financial position** • Regular monitoring and re-forecasting of financial performance. • Adjustments to our cash and investment reserves portfolio to prioritise liquidity, to ensure all research commitments are settled on a timely basis. • The preparation of long-term financial forecasts aligned to BHF's strategy to 2030 that target a diversification of income streams and incorporate an ongoing consideration of market and consumer trends. **Ensuring we get most value out of the spend we have already committed to as well as ensuring new research awards are the most impactful:** • Framework for considering costed and no-cost research grant extensions and introducing an additional prioritisation process for grant awards. • Advocating for the Government to safeguard research in the UK by adopting the Life Sciences - Charity Partnership Fund. • Use existing BHF funded infrastructure to address urgent Covid-related research questions through our national Flagship Projects.
Cyber threats a breach of BHF's IT infrastructure or services results in loss of data or denial of service.	BHF retains a specialist Information Security team who are delivering a comprehensive information security programme which ensures cyber risks are regularly reviewed and counter measures prioritised. Key risk mitigations include: • The deployment of multi-factor authentication and Privileged Identified Management. • Data classification and data loss protection. • Firewall, proxy and anti-virus protection measures, with associated vulnerability monitoring and penetration testing. • Installation restrictions, patch management and end of life monitoring, • Technology Disaster Recovery Management framework. • Utilisation of 3rd Party specialists to support cyber risk assessment and incident response capability.

Risk	Management
Adverse events incidents that damage reputation and/or negatively impact operations (including, serious fraud, supply chain disruption, major health and safety incidents, safeguarding and internal process failures).	• Proactive detection, monitoring, reporting and whistleblowing arrangements to enable investigation of potential adverse events and incidents. • Proactive and reactive media management in place, including ongoing digital and traditional media monitoring. • Dedicated specialist resource is applied in key areas such as health and safety, risk and assurance, procurement, safeguarding and legal that support organisation-wide events and operations. • Monitoring of key suppliers, including financial and due diligence checks • Continuing programme of health and safety improvement training across our workforce to strengthen our safety management systems and manage compliance and hazard risks. • Continuing programme to drive IT improvements and strengthening of infrastructure and cyber security to protect BHF assets. • Continuing programme of review and testing of incident management framework, business continuity and disaster recovery plans. • Risk based Business Impact Assessments for core business functions and responsive business continuity plans across BHF.
Regulatory environment changes in government policy, regulatory requirements and/or Charity Sector guidance negatively impact on BHF's strategy and activities.	• BHF risk management, legal and fundraising compliance teams monitor public policy and the regulatory environment to ensure potential risks can be proactively managed. • Active programmes of advocacy, influencing and senior level engagement to ensure our views are shared. • Senior BHF and partner representation at key events and forums to help shape the research agenda.
BHF Strategy strategic objectives and activities are not properly or sufficiently focused in order for the charity to deliver its mission.	• BHF's Strategy to 2030 sets out how we aim to play a leading role in achieving significant improvements in heart and circulatory health. • Our 3-year Strategic Plan outlines the key milestones in the medium term for the successful delivery of the Strategy, which are monitored and reviewed by the Executive Group and Trustees. • The development of supporting programmes and operational plans are informed by internal and external subject matter experts. • Scrutiny and approval of research funding applications by international expert committees.
Investments BHF is exposed to financial risk and market movements through its cash and investment portfolios, and via the assets and liabilities of a defined benefit pension scheme.	• Expert financial advice informs investment and treasury policies that ensure our portfolio is adequately diversified and managed. This includes having regard for best practice in Environmental, Social and Governance (ESG) issues, as further discussed below. • Oversight of investment performance by our Investment Committee, who monitor compliance and effectiveness of our investment and treasury policies. • The Trustees of the defined benefit scheme (closed to new members and future service accrual), in consultation with BHF as sponsoring employer, ensure expert advice informs the Scheme's investment and liability management policies.

Risk	Management
Our people attracting and nurturing talent and leadership development and succession planning to retain the right staff in a competitive employment market	• An active communication programme using our intranet site to ensure staff and volunteers are always informed on BHF's strategy and the progress being achieved. • Monitoring of trends in an increasingly competitive and dynamic employment market with regular external benchmarking of compensation and benefits. • Continuing the #flexiblyconnected programme to enable staff to have more flexibility in their work patterns and help maintain a healthy work-life balance. • Ethnicity and Gender Pay Gap monitoring and reporting. • Continuing to roll out an embed the EDI strategy and engagement programme. • Talent management, leadership development and succession planning programmes for key functions. • Investments in pay and wellbeing benefits to recognise the impact of the cost-of-living crisis on our workforce. • A network of staff Affinity Groups to share information and support the diversity of our people. • Development of BHF's Volunteer Strategy with a focus on ensuring it is inclusive, easy, and flexible for volunteers to be able to support BHF
Normalising change delivering effective change management through major process improvement programmes in support of the BHF Strategy.	• Application of portfolio management processes for effective requirements capture, supplier selection and project delivery. • Operations Board and Executive Group review, monitor and support all key change programmes, ensuring appropriate governance and resourcing priorities are addressed. • Development of a Data Strategy that balances protecting the BHF's data, with maximising accessibility and useability to drive value and impact. • Independent programme assurance of key change programmes. • Prioritisation of transformation programmes, incorporating 3rd party advice and support, to help determine and deliver the BHF's future technology architecture and road-map.
Collaborative research the impact of Britain's withdrawal from the European Union on the research sector, our ability to attract researchers, or collaborate with European research institutions.	• We have made, and continue to develop, bilateral agreements with European and global institutions. • Engaging with BHF funded researchers to better understand any impact, and therefore the extent to which BHF's funding programmes may require amendment or development. • Engaging with relevant government and umbrella organisations to advocate and influence in the interest of our beneficiaries, including applicable visa arrangements such that the UK remains an attractive location for international researchers to come and work.
Environment and sustainability failure to progress our sustainability programme could damage our reputation, introduce higher costs and impact our ability to meet our charitable mission.	• Development and implementation of the Environmental, Social and Governance (ESG) strategy to understand and establish longer term ESG targets for BHF • The strategy includes a commitment to investing BHF's reserves in a responsible manner and for the investment portfolio to be managed in accordance with BHF's own charitable mission and values. This means having regard to best practice in ESG issues. • The ESG Board with Executive Group sponsorship oversees the delivery of our ESG strategy.

Legal structure and governance

British Heart Foundation is a company limited by guarantee, incorporated in England on 28 July 1961, and registered at Greater London House, 4th Floor, 180 Hampstead Road, London NW1 7AW. Our Articles of Association were last amended on 31 March 2016 and provide for a limitation of member liability to £1. The BHF is a registered charity in England and Wales (charity number 225971), in Scotland (charity number SC039426) and on the Isle of Man (charity number 1295).

The Board of Trustees is responsible for the governance and strategy of BHF. The Board is made up of up to 14 Trustees, comprising a mix of medically-qualified and lay members. The Trustees have full legal responsibility for the actions of BHF, are appointed for a renewable term of three years and are the directors of the company for the purposes of the Companies Act 2006.

The Board meets on a quarterly basis and delegates day-to-day responsibility for the running of BHF to the Executive Group.

The Board also delegates specific responsibilities and activities to various sub-committees, including the Audit & Risk, Investment, Retail, Nominations and Remuneration & People committees. Our investment in research is overseen by five medical committees with responsibility for specific areas of research including the review of grant applications and other scientific award proposals. An organisation chart listing all our current committees can be found on page 98.

Our board and committee structure

Our committees and groups are arranged into one of three streams – Governance, Operational and Advisory.

Governance stream

The Trustees have the ultimate responsibility for running the Charity, their principal duties being to set the strategic direction of the Charity and ensure that the Charity is solvent, properly run and delivers its charitable purposes. To ensure that all decisions are informed and appropriate, and where it is beneficial to BHF, the Trustees have delegated certain tasks to directly accountable committees. These 'Governance Committees' are comprised of members with relevant specialist knowledge. There are currently three Governance Committees – Audit & Risk, Nominations and Remuneration & People – each of which has members who are independent of the Trustees and are experts in areas appropriate to their committee's work.

Operational stream

The operational committees review and make decisions on key operational matters on behalf of the Board of Trustees in the following areas:

i) Grants – members of our five research funding committees review and assess applications for grants for scientific, medical, clinical studies or translational research grants for work that will assist BHF to carry out its charitable activities. They also review the output and performance of grants throughout the lifetime of those awards.

ii) Investment – the Investment Committee recommends investment strategies and oversees investment performance in line with BHF's aims, objectives and risk appetite.

Each operational committee operates within clearly defined delegated authority and budgetary limits set by the Board to further the strategic aims of the Charity.

Advisory communities

BHF advisory communities cover specific areas of expertise, each designed to support BHF's strategy to 2030. Working with supporters, specialist advisers, patient representatives and other key stakeholders these groups:

- provide tailored, expert support and advice to the Board and Executive Group,
- keep the Board apprised of major issues and concerns, and
- provide a forum for stakeholder involvement and consultation to inform BHF's work.

The advisory communities currently include as part of the formal board structure, a Retail Committee, and among other specialist advisory groups, a Technology Advisory Group, a Commercial Advisory Board and Marketing Board. Each is made up of independent experts who provide advice on our operations and insight on the wider commercial and technology environment.

Charity Governance Code

The Board supports the principles of good governance as set out in the Charity Governance Code and has reviewed and will regularly revisit the Code's key principles to support continuous improvement and ensure the highest standards of governance. As recommended by the Code, every three years the Board commissions an independent review of its performance, and in the intervening years it undertakes a self-evaluation process. Any agreed actions are overseen by the Nominations Committee. For the 2022/23 year a self-evaluation process was carried out.

Legal structure and governance

Board of Trustees

Trustees act as the company directors of BHF, and under charity law they have legal duties and responsibilities as Trustees.

We are pleased to welcome three new Trustees, our new Chair, Wendy Becker, Professor Sadaf Farooqi and Professor Brian Walker who joined the Board of Trustees this year. The Board of Trustees is grateful to all our committee members for their support during the year, but our particular thanks go to Dr. Douglas Gurr, Chair of the Board of Trustees, and Professor John Iredale, who retired from the Board of Trustees this year, having played a huge role in the direction of BHF during their tenures.

The membership of the Board of Trustees, and their involvement on other Governance Committees is as follows:

Trustees	Year of Trustee appointment	Audit & Risk Committee	Nominations Committee	Remuneration & People Committee
Wendy Becker (Chair)+	2022		C+	M+
Dr. Doug Gurr (Chair)*	2015		C*	M*
Dr. Sarah Clarke (Deputy Chair)	2018		M	M
Professor Sadaf Farooqi+	2022			
Daryl Fielding	2017	M		
Mark FitzPatrick	2020	C		
Karen Frank	2019			
Sir John Hood	2021			
Timothy Howe KC	2018	M		
Professor John Iredale*	2016			
Dr. Annalisa Jenkins	2021			
Professor David Lomas	2016			M
Peter Phippen	2017			
Professor Sir Munir Pirmohamed	2020			
Professor Jill Pell	2020			
Professor Brian Walker+	2022			

Key

C	Chair
M	Member
+	from 20 October 2022
*	to 20 October 2022

Changes to the Board of Trustees in this financial year

- Wendy Becker joined the Board of Trustees on 20 October 2022
- Professor Sadaf Farooqi joined the board of Trustees on 20 October 2022
- Professor Brian Walker joined the Board of Trustees on 20 October 2022.
- Dr. Douglas Gurr retired on 20 October 2022
- Professor John Iredale retired on 20 October 2022

Trustee biographies are available at:
www.bhf.org.uk/what-we-do/our-people/our-trustees

Trustee recruitment, induction and training

The Nominations Committee is responsible for recruiting members of the Board of Trustees and its sub-committees. One of its key aims is to ensure a broad mix of skills, experience, knowledge and diversity including gender and ethnicity. The Nominations Committee meets regularly to review the composition of the Board of Trustees and its committees, and all new appointments are evaluated against the existing skills, experience, knowledge and backgrounds. Trustee and committee vacancies are advertised as necessary and for recent appointments BHF has extended its search and taken advice from specialist agencies to enhance and broaden the pool of candidates. BHF will also approach individuals thought to have the right skills.

New Trustees undertake a comprehensive induction programme and are invited to spend time with individual members of the Executive Group. This is a chance to learn about BHF and identify opportunities to become more involved with our work. Trustees are also invited to attend regular research site visits to learn more about BHF research, and additional training and updates are provided as appropriate.

Trustees' duties in relation to Section 172 of the Companies Act 2006

The Trustees, as company directors of BHF, must act in accordance with a set of general duties as detailed in Section 172 of the Companies Act 2006, which includes a duty to promote the success of the company, and in doing so have regard (amongst other matters) to:

- the likely consequences of any decision in the long term,
- the interests of the company's employees,
- the need to foster the company's business relationships with suppliers, customers and others,
- the impact of the company's operations on the community and the environment, and
- the desirability of the company maintaining a reputation for high standards of business conduct.

Our governance processes

Throughout this report, we have summarised our governance framework, our values and behaviours, and how we have engaged with stakeholders during the year. The Trustee Board has considered the views and needs of key stakeholders in Board discussions and decision making. It also believes that a balance of skills, experience, knowledge and diversity in the broadest sense is vital to providing a variety of different perspectives to its discussions and enhancing the Board's decision-making. The following paragraphs are not intended to be an exhaustive list, but are illustrative of how the Trustees have fulfilled these duties during the year.

The likely consequences of any decision in the long term

BHF's long-term ambition is to see a world free from the fear of heart and circulatory disease. Our Strategy to 2030 is a blueprint for achieving these goals and has informed the Board's decisions and likely consequences of these in the long term. As part of their induction, the Trustees are briefed on their role and duties, which are fulfilled partly through the governance structure detailed on pages 97-98. The Board's discussions have been informed by detailed reports on specific subjects from the Executive Team and quarterly performance reporting to provide assurance and assist the Trustees in their decision making. In addition to this, a detailed Risk Management Framework is used to identify and manage risks in all our activities.

During 2022-23 in the wake of the pandemic we have continued to operate in an uncertain environment where prompt, informed decision making has been essential. The Board has continued to receive monthly operational updates, to support business-critical decisions and has undertaken an annual review of BHF's Strategy to 2030 to assess the short and longer-term impact of the pandemic and current economic climate on the delivery of BHF activities, and on staff, volunteers and other key stakeholders.

For further details on our Risk Management Framework and principal risks and uncertainties please refer to pages 93-96.

Legal structure and governance

Engaging with our stakeholders

Our stakeholders	How we engage with them
Patients and those affected by heart and circulatory disease It is vital that we understand the experiences, needs and priorities of those affected by heart and circulatory disease to inform our research strategy, help us identify where policy changes are most needed to improve care and to provide relevant and accessible information.	• The Board of Trustees has recognised the growing backlog of care, diagnostics and treatment and the disproportionate effect of the pandemic on people affected by heart and circulatory diseases. It is agreed that fighting for better health and care, tackling health inequalities and the provision of information and support for the people who need us are critical priorities. • We regularly consult and work with patients and the public to work for better health and care. • In the past year we've created a new patient panel to inform our policy and influencing work. The Lived Experience Advisory Forum (LEAF) formalises our approach to seeking advice from people affected by heart and circulatory conditions. • We are using data, insights and feedback to ensure we are effectively supporting the people who need us. • Our valued information and support website pages continue to reach a wide audience and our Heart Helpline remains a lifeline for thousands of patients and their families. • For further details on how we have engaged with patients and those affected by heart and circulatory disease please refer to pages 28-43.
Research and clinical community As the largest independent funder of cardiovascular research in the UK, supporting a thriving research community and fostering future talent is vital to our mission.	• Our research portfolio includes 720 research projects spanning all areas of heart and circulatory disease, and the research training and fellowships we provide are a key part of BHF's prominent contribution to the UK cardiovascular research effort. • Our focus in 2022-23 has continued to be our use of partnerships and engagement with other international research funders to develop and deliver a strategic research agenda. • We also continue to support a positive research culture and promote a fair and open research ecosystem by implementing the principles of the San Francisco Declaration on Research Assessment (DORA). • For further details on the impact on BHF's research please refer to pages 12-25.
Our supporters Building lasting relationships with our supporters is vital to our long-term mission. We need to provide the right opportunities for people to support us and the level of customer service they would expect.	• Our TV advertising campaign, This is Science, has proven to be an effective way to spread our message, increase awareness and inspire more people to help us turn science fiction into reality. • We have invested in technology to support our retail business and customer services and are committed to significantly enhancing the quality of customer experience across the whole of our customer base. • We would like to thank all our supporters for their continued support, donations and tireless fundraising this year. • For further detail on our fundraising activities please refer to pages 46-71.

Our stakeholders	How we engage with them
Our staff and volunteers As an organisation we know we need to recruit, develop and support the best people to help us achieve our goals. In order to do this we need to understand what support, information and development opportunities our people need from us.	• We strive to promote a culture whereby everyone at BHF is treated equally, with respect, is safe from abuse or harm and is able to give of their best. • We undertake regular staff and volunteer engagement surveys to understand and take into account any concerns. • Our employee survey shows that our Flexibly Connected policy on hybrid working is working well and valued by colleagues. • Our volunteering strategy and new MyVolunteer digital platform have been designed to make gifts of time easy, flexible and inclusive. We want all our volunteers to have the best possible experience. • This year we launched Igniting Change, our first equality, diversity and inclusion (EDI) strategy with input from our Kaleidoscope and affinity groups which provide a forum for raising awareness, listening and improving our understanding of the experiences of different groups at BHF. Outputs from these groups are fed back to the Remuneration & People Committee. • The Board is assisted in fulfilling its governance duties in relation to staff and volunteers by the Remuneration & People Committee, and part of this Committee's remit is to review regular reports on safeguarding, learning and development, employee and volunteer engagement and initiatives relating to wellbeing and safety, equality, diversity and inclusivity. Any concerns around culture or policy or people or compliance are brought to the attention of the Trustees. • For further details on how we engage with our staff and volunteers please see pages 74-85.
Policy and key opinion leaders Strong and effective relationships with policy makers and other medical research charities is key to furthering our objectives in support of the prevention, treatment and care of heart patients.	• Throughout the year, BHF has continued to develop and maintain strong and effective relationships with communities, key opinion leaders, the NHS and Government in each of the four Nations to further our objectives in support of the prevention, treatment and care of heart patients. • We have also worked closely with other medical research charities in pursuing shared policy outcomes. • For further details on how we engage with policy makers please see pages 33-35.

Our stakeholders	How we engage with them
Business relationships with suppliers, customers, partners, landlords and others The delivery of our charitable aims and objectives is dependent on a range of relationships with universities, suppliers and other business partners.	• We are extremely grateful for the advice and direct financial support received from our business partners, landlords and other service providers during the past year. The Board has encouraged management to develop and maintain trusted partnerships with each and expects our partners to be aligned with the values of BHF. We seek always to act with honesty and integrity in all that we do to deliver the best value for money in our goal to beat heartbreak forever. • Partner organisations are expected to comply with the requirements of any professional standards, or trade bodies, depending on their activities, and all applicable laws, statutes, regulations and codes of practice relating to anti-bribery and anti-corruption. • BHF has a zero-tolerance approach to modern slavery and we strive to act ethically and with integrity in all of our business dealings and relationships to ensure that modern slavery is not taking place anywhere in our own business or in any of our supply chains. We will also ensure that our approach to this issue is clear to our partner organisations. BHF also has a zero-tolerance policy on harm and abuse and provisions in relation to Safeguarding are also included in our Code of Practice for suppliers. • Through building trusted partnerships and working with others we believe great progress can be made towards our vision of a world free from the fear of heart and circulatory diseases. In 2022-23 some of these partnerships have also provided financial and practical support through a range of initiatives aimed at further supporting BHF. • Full details of our policies in relation to our business relationships with companies, suppliers, customers and others, including our supplier Terms & Conditions, statement on Modern Slavery and Feedback & Complaints policy can be found at: www.bhf.org.uk/what-we-do/our-policies.
Sustainability and Environmental Impact The threats posed by climate change, pollution and resource depletion will affect us all, and we recognise the need to address this threat through effective and ethical decision making.	• We have a programme of activities underway as we work to operate in the most responsible manner, with a series of commitments to ensure that our environmental, social and economic impact is considered. • Further information on our sustainability initiatives can be found on pages 82-84, and our Streamlined Energy and Carbon Reporting on pages 91-92.

Public benefit

In reviewing our aims and objectives, and planning future activities, the Trustees have taken into account the Charity Commission's general guidance on public benefit. The Trustees always ensure that the activities undertaken are in line with the charitable objectives and aims of BHF.

As highlighted earlier in this report, some of our health promotion, care and communications initiatives are specifically targeted at those population groups most at risk of heart and circulatory diseases, due to ethnic, social or economic factors. However, by their very nature, all our charitable activities are undertaken for the benefit of the public.

BHF fundraising

BHF is registered with the Fundraising Regulator and we, along with all fundraising partner organisations are committed to meeting the standards set out in the Code of Fundraising Practice:

www.fundraisingregulator.org.uk/code

To ensure compliance, BHF operates a continuous review of the standards set out within the Code included in quarterly reporting to the Audit & Risk Committee. Code requirements also form part of our fundraiser training.

As one might expect, BHF operates a broad fundraising portfolio which includes the use of third-party professional fundraisers, commercial participators and volunteers. The types of fundraising initiatives we engage in include (but are not limited to) in person and online events, community engagement through our groups, branches and volunteers, mass marketing which includes public fundraising, as well as engaging in corporate partnerships and with high net-worth individuals.

Our fundraising activity and overall strategy is regularly addressed by the Board of Trustees in exercise of their duties under CC20 Charity Commission guidance. They, together with our Audit and Risk Committee, monitor significant risks and ensure they are being properly addressed.

Fundraising on our behalf

We continue to monitor all public fundraising agencies through our dedicated mystery shopping, training evaluation, doorstep shadowing and telephone call monitoring programme in line with the requirements set out in The Charities (Protection and Social Investment) Act 2016.

BHF currently engage the following professional fundraising organisations – APPCO UK Ltd, The Professional Fundraiser Ltd, Ethi-call Limited and Mango Direct Marketing Ltd. We have written fundraising agreements in place with each partner organisation which include clauses related to our monitoring and assurance activity.

Vulnerable people

BHF recognises our responsibility and are committed to acting appropriately and with compassion when engaging with vulnerable or potentially vulnerable people. Our Vulnerable Supporters Policy applies to all our fundraising activities and ensures that we are protecting the public from undue pressure to donate, as well as identifying people in vulnerable circumstances.

In addition, we train all door-to-door and private site fundraisers around identifying the signs which may indicate a person is not able to make an informed decision to donate to BHF. Our Supporter Promise provides a further commitment to conduct our fundraising activity in a manner that is honest and transparent.

https://www.bhf.org.uk/what-we-do/our-policies/supporter-promise

Complaints

From the millions of contacts we have with supporters each year, in 2022-23 we received 258 complaints about our fundraising practices (2021-22: 574 complaints). We take all complaints very seriously and respond according to our Complaints Policy. We received no complaint investigations via the Fundraising Regulator in 2022-23 (2022: nil) and one initial complaint, which was not upheld and therefore resolved at stage one.

Legal structure and governance

Our Board of Trustees receives the 'Voice of the Customer Report' which includes results of the latest online surveys in order to understand the views and concerns of our customers and supporters across all our activities.

Grant award policies

We only award science research grants after a formal, detailed application process and a comprehensive peer review. For in-depth information on research expenditure, the grant-award process and application guidelines, visit:

www.bhf.org.uk/for-professionals/information-for-researchers

Executive Group

The Executive Group is responsible for the day-to-day running of BHF under authority delegated to it by the Board of Trustees. It proposes to the Board of Trustees where BHF should invest its time, money and expertise, including an annual discussion of strategy supported by financial forecasts. It proposes an annual operating budget to the Board of Trustees for approval and monitors financial performance accordingly. The Executive Group members are detailed below:

Chief Executive
Dr. Charmaine Griffiths

Medical Director
Professor Sir Nilesh Samani

Chief Technology Officer
Alex Duncan

Chief Financial Officer
Martin Miles FCA

Chief Marketing and Fundraising Officer
Claire Sadler

Chief People Officer
Kerry Smith

Commercial Director
Mike Taylor

Company Secretary

Head of Legal & Governance and Company Secretary
Sam Ryan

Executive Group biographies are available at:

www.bhf.org.uk/what-we-do/our-people/our-executive-group

Our staff and volunteers

None of our life-saving work would be possible without the dedication and hard work of our volunteers, supporters and staff.

At 31 March 2023 we had a paid workforce of 4,250, spread right across the UK (3,306 of whom are employed in our retail operation). The full-time equivalent headcount is detailed within note 4 to the accounts on page 124.

To many people across the UK, volunteers are the public face of our charity. We are extremely grateful to our retail and fundraising volunteers for their continued support.

We recognise that the world of volunteering has changed significantly over recent years, and our volunteering strategy is to make volunteering for BHF as easy, flexible and inclusive as possible. We want all our volunteers to have an incredible experience and truly feel they are making a difference to BHF.

Increased communication and engagement with staff and volunteers as we began to emerge from the pandemic has helped to ensure that organisational trust and dedication have remained high. We've continued to foster a culture that empowers colleagues to Live well and Work well through a range of support, including a comprehensive programme of online webinars, promotion of external sources of support and encouraging social connection through our coffee chat initiatives. We continued to expand our Mental Health Ambassador network and promote our Employee Assistance Providers accordingly.

BHF is committed to employment policies which follow best practice, based on equal opportunities for all employees, irrespective of gender, ethnicity, religion, sexual orientation, age, employment status, disability or marital status.

BHF gives full and fair consideration to applications for employment from people with disabilities, having regard to their particular aptitudes and abilities.

All reasonable adjustments are made for the continued employment and training, career development and promotion of people with disabilities employed by BHF. We do not condone or tolerate any form of discrimination in our recruitment or employment practices. All employees and applicants are treated on merit, fairly, with respect and dignity, recognised as individuals and valued for the contribution they make, provided fair and equal access to training, development, reward and progression opportunities, and are accountable for the impact of their own behaviour and actions.

During the year, regular communications are provided to our staff and volunteers, including updates on the Charity's progress. In addition, one of our values is to encourage our staff and volunteers to speak out and express their views and opinions. Staff and volunteer forums are used, as well as engagement surveys and regular all-staff updates. Employee suggestion schemes, webchats with directors and senior managers, and informal opportunities to express views as well as our 'concern at work' email for any anonymous reporting, support the priority for open and transparent engagement at all times. All new employees attend BHF induction events attended by our Chief Executive and members of our Executive Group.

Executive pay

We have a detailed Reward Policy, which sets out our guiding principles for reward at BHF. The remuneration for the Executive Group is set, monitored and reviewed by the Remuneration & People Committee, which is chaired by an independent senior human resources specialist.

BHF is committed to a policy of equal pay and aims to ensure that salaries reflect the knowledge, skills, behaviours and capabilities required for satisfactory performance in each role whilst also demonstrating appropriate use of charitable donations. Salaries are benchmarked against the voluntary sector and, where appropriate, other relevant job markets. More information on our executive pay policy can be found on our website at:

www.bhf.org.uk/what-we-do/our-policies/our-statement-on-senior-salaries

An annual pay review was awarded on 1 April 2022. In the financial year 2022-23 our Chief Executive's basic salary was set at £210,000.

Gender and ethnicity pay gap

In 2022 our median gender pay gap was just 0.1% in favour of female colleagues. With a 3.7% pay gap in favour of men a year ago, and a national average gap of 15.4%, we are proud of the progress BHF is making. As part of our ongoing commitment to equality we have continued to report on our ethnicity pay gap, which in 2022 stood at 12.2% in favour of colleagues from ethnic minority backgrounds. Ethnically minoritised colleagues make up 10% of the overall workforce at BHF, but account for 14% of staff in the upper pay quartile. Creating a more diverse workforce, including at senior leadership level, remains a priority. Some of the key actions we are continuing to implement include:

- All our job advertisements have been screened to ensure there is no bias in the language used.
- We provide recruitment skills training for hiring managers to minimise the impact of unconscious bias.
- We encourage hiring managers to seek out diversity by demonstrating how it aids team innovation, productivity and creativity.
- Our career site details our commitment and includes accessibility software to ensure it can be used by as many people as possible.
- Our recruitment system has been enhanced to facilitate anonymous CVs.

Legal structure and governance

Trustees' indemnity

As permitted by the Articles of Association, each of the Trustees has the benefit of an indemnity which is a qualifying third-party indemnity as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The Company also purchased and maintained throughout the financial year Trustees' and Officers' liability insurance in respect of itself and its Trustees.

Auditors

PricewaterhouseCoopers LLP have expressed their willingness to continue to act as auditors.

The Trustees' Report, including the Strategic Report, was approved by the Board of Trustees on 17 July 2023.

Sam Ryan
Head of Legal & Governance and Company Secretary
17 July 2023

Statement of Trustees' responsibilities

The Trustees (who are also directors of the British Heart Foundation for the purposes of company law) are responsible for preparing the Trustees' Report (including the Strategic Report) and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', and applicable law (United Kingdom Generally Accepted Accounting Practice). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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 Statement of Recommended Practice: Accounting and Reporting by Charities (2019),
- make judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, and disclose with reasonable accuracy at any time the financial position of the charitable company and the group, 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 charitable company and the group, 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 charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Wendy Becker

Chair

17 July 2023

Independent auditors' report to the members and Trustees of British Heart Foundation

Report on the audit of the financial statements

Opinion

In our opinion, British Heart Foundation's group financial statements and parent charitable company financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2023 and of the group's incoming resources and application of resources, including its income and expenditure, and of the group's cash flows, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of The Charities Accounts (Scotland) Regulations 2006 (as amended).

We have audited the financial statements, included within the Annual Report and Accounts (the "Annual Report"), which comprise: the group and charity balance sheets as at 31 March 2023; the group statement of financial activities (incorporating a group income and expenditure account), the group statement of cash flows for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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 group and parent charitable company's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's and parent charitable company's ability to continue as a going concern.

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

With respect to the Strategic Report and Trustees' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 and The Charities Accounts (Scotland) Regulations 2006 (as amended) require us also to report certain opinions and matters as described below.

Strategic Report and Trustees' Report

In our opinion, based on the work undertaken in the course of the audit the information given in the Trustees' Report , including the Strategic Report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and the Strategic Report and the Trustees' Report have been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Strategic Report and the Trustees' Report. We have nothing to report in this respect.

Responsibilities for the financial statements and the audit

Responsibilities of the Trustees for the financial statements

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The trustees are also responsible for such internal control as they 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 group's and parent charitable company'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 group and parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditors under section 44(1) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts 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 an auditors' report 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

Independent auditors' report to the members and Trustees of British Heart Foundation

or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the group and parent charitable company/industry, we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of The Charities Accounts (Scotland) Regulations 2006 (as amended). We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries and management bias in key judgements and estimates. Audit procedures performed included:

- enquiry of management and the trustees with regard to actual and potential fraud and non-compliance with laws and regulations;
- reviewing minutes of meetings of the Board of Trustees and the Audit and Risk Committee meetings to identify significant or unusual transactions and known or suspected instances of fraud or non-compliance with laws and regulations;
- reviewing terms and conditions of significant contracts;
- enquiry of the in-house legal team to identify material claims and litigation;
- reviewing correspondence with regulators including the Charity Commission for England and Wales and the Office of the Scottish Charity Regulator;
- understanding and evaluating management's controls in place to prevent and detect irregularities;
- testing of journal entries where we identified particular risk criteria;
- obtaining independent confirmations of cash and investment balances at the year end and testing management's year end bank reconciliations;
- reviewing accounting estimates for bias and evaluating whether circumstances producing any bias represent a risk of material misstatement due to fraud; and
- assessing financial statement disclosures, and testing to supporting documentation, for compliance with applicable laws and regulations.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, 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 by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: :

www.frc.org.uk/auditorsresponsibilities.

This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the charitable company's members and trustees as a body in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and the Companies Act 2006 and regulations made under those Acts (regulation 10 of The Charities Accounts (Scotland) Regulations 2006 (as amended) and Chapter 3 of Part 16 of the Companies Act 2006) and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Matters on which we are required to report by exception

Under the Companies Act 2006 and The Charities Accounts (Scotland) Regulations 2006 (as amended) we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate and proper accounting records have not been kept by the parent charitable company or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Sandeep Dhillon
(Senior Statutory Auditor)
for and on behalf of
PricewaterhouseCoopers LLP
Chartered Accountants and
Statutory Auditors
London

17th July 2023

Group statement of financial activities for the year ended 31 March 2023

(Incorporating a Group income and expenditure account)
Company reg. number: 699547

		2023			2022		
		Unrestricted Funds	**Restricted and Endowment Funds**	**Total Funds**	Unrestricted Funds	Restricted and Endowment Funds	Total Funds
		£m	**£m**	**£m**	£m	£m	£m
Income from	Note						
Donations and legacies	2	130.8	11.4	**142.2**	140.5	6.5	147.0
Charitable activities		3.7	–	**3.7**	0.3	–	0.3
Investments		5.9	–	**5.9**	2.6	–	2.6
Other income		0.1	–	**0.1**	0.1	–	0.1
Total fundraising income		140.5	11.4	**151.9**	143.5	6.5	150.0
Expenditure on							
Raising funds: donations and legacies	4	(32.1)	–	**(32.1)**	(30.2)	–	(30.2)
Investment management fees	4	(0.9)	–	**(0.9)**	(1.1)	–	(1.1)
Total fundraising costs		(33.0)	–	**(33.0)**	(31.3)	–	(31.3)
Fundraising contribution		107.5	11.4	**118.9**	112.2	6.5	118.7
Trading income	3	229.4	–	**229.4**	200.2	–	200.2
Government support – Covid-19 (trading)	3	–	–	**–**	1.5	–	1.5
Trading costs	3/4	(204.0)	–	**(204.0)**	(178.3)	–	(178.3)
Contribution from trading activities		25.4	–	**25.4**	23.4	–	23.4
Net income available for charitable purposes		132.9	11.4	**144.3**	135.6	6.5	142.1
Charitable expenditure							
Research	4	(94.2)	(5.2)	**(99.4)**	(49.2)	(13.2)	(62.4)
Healthcare Innovation	4	(33.2)	(0.5)	**(33.7)**	(24.9)	(0.4)	(25.3)
Total charitable expenditure		(127.4)	(5.7)	**(133.1)**	(74.1)	(13.6)	(87.7)
Net income/(expenditure) before (loss)/gain on investments		5.5	5.7	**11.2**	61.5	(7.1)	54.4
Represented by							
Total income		369.9	11.4	**381.3**	345.2	6.5	351.7
Total expenditure		(364.4)	(5.7)	**(370.1)**	(283.7)	(13.6)	(297.3)
Net income/(expenditure) before (loss)/gain on investments		5.5	5.7	**11.2**	61.5	(7.1)	54.4
Net (loss)/gain on investments		(3.3)	–	**(3.3)**	14.1	–	14.1
Net income/(expenditure)		2.2	5.7	**7.9**	75.6	(7.1)	68.5
Other recognised gains/(losses)							
Actuarial gain/(loss) on defined benefit pension scheme	14	–	–	**–**	–	–	–
Net movement in funds		2.2	5.7	**7.9**	75.6	(7.1)	68.5
Reconciliation of funds							
Funds balances brought forward at 1 April	5	100.2	17.5	**117.7**	24.6	24.6	49.2
Total funds carried forward	5	102.4	23.2	**125.6**	100.2	17.5	117.7

There are no recognised gains or losses other than those disclosed above. All results derive from continuing operations. Gross income for the year for the parent charity is £361.7m (2022: £334.2m) and gross expenditure is £350.5m (2022: £279.8m). The notes on pages 116 to 137 form an integral part of these financial statements.

Balance sheets as at 31 March 2023

Company reg. number: 699547

		Group		Charity	
		2023	2022	**2023**	2022
Fixed assets	Note	**£m**	£m	**£m**	£m
Tangible assets	6	**29.9**	30.8	**29.9**	30.8
Investments	7	**185.8**	158.8	**185.8**	158.8
Total fixed assets		**215.7**	189.6	**215.7**	189.6
Current assets					
Inventories		**8.8**	6.0	**–**	–
Debtors	8	**121.9**	111.2	**137.6**	127.1
Cash and cash equivalents		**129.4**	127.0	**120.5**	115.6
Total current assets		**260.1**	244.2	**258.1**	242.7
Creditors and provisions: amounts falling due within one year					
Provision for research and other grant awards	9	**(98.0)**	(94.7)	**(98.0)**	(94.7)
Other creditors	10	**(38.2)**	(29.2)	**(36.2)**	(27.7)
Total current liabilities		**(136.2)**	(123.9)	**(134.2)**	(122.4)
Net current assets		**123.9**	120.3	**123.9**	120.3
Total assets less current liabilities		**339.6**	309.9	**339.6**	309.9
Creditors and provisions: amounts falling due after more than one year					
Finance lease creditor		**(0.8)**	(0.7)	**(0.8)**	(0.7)
Provision for research and other grant awards	9	**(209.1)**	(187.3)	**(209.1)**	(187.3)
Provision for liabilities and charges	11	**(4.1)**	(4.2)	**(4.1)**	(4.2)
Total provisions due after more than one year		**(214.0)**	(192.2)	**(214.0)**	(192.2)
Net assets excluding pension liability		**125.6**	117.7	**125.6**	117.7
Defined benefit pension liability	14	**–**	–	**–**	–
Net assets including pension liability		**125.6**	117.7	**125.6**	117.7
Represented by:					
Endowment funds	5	**7.5**	7.5	**7.5**	7.5
Restricted income funds	5	**15.7**	10.0	**15.7**	10.0
Unrestricted funds					
General funds	5	**102.4**	100.2	**102.4**	100.2
Pension reserve	14	**–**	–	**–**	–
Total unrestricted funds		**102.4**	100.2	**102.4**	100.2
Total funds		**125.6**	117.7	**125.6**	117.7

The Charity's net movement in funds for the year was an increase of £7.9m (2022: increase of £68.5m)

The financial statements on pages 113 to 137 were approved by the Board of Trustees on 17 July 2023, and signed on its behalf by:

Wendy Becker
Chair

Mark FitzPatrick
Chair of the Audit & Risk Committee

Members of the Board of Trustees

The notes on pages 116 to 137 form an integral part of these financial statements.

Group statement of cash flows for the year ended 31 March 2023

	2023	2022
	£m	£m
Cash flows from operating activities		
Net cash flow from operating activities	**35.2**	18.3
Cash flows from investing activities		
Investment income	**5.9**	2.6
Purchase of investments	**(113.4)**	(63.2)
Proceeds from sale of investments	**83.1**	67.9
Purchase of tangible fixed assets	**(8.1)**	(3.7)
Proceeds from sale of tangible fixed assets	**0.1**	0.2
Net cash (outflow)/inflow from investing activities	**(32.4)**	3.8
Cash flow from financing activities		
Repayment of obligation under finance leases	**(0.4)**	(0.3)
Net increase in cash and cash equivalents	**2.4**	21.8
Cash and cash equivalents at 1 April	**127.0**	105.2
Cash and cash equivalents at 31 March	**129.4**	127.0

Reconciliation of net cash flow from operating activities:

Net income	**7.9**	68.5
Add/(less):		
Depreciation	**9.4**	11.0
Increase/(decrease) in provision for impairment of fixed assets	**0.1**	(0.2)
Loss on disposal of fixed assets	**0.1**	0.2
Investment income	**(5.9)**	(2.6)
Net loss/(gain) on investments	**3.3**	(14.1)
(Increase)/decrease in inventories	**(2.8)**	0.5
(Increase) in debtors	**(10.7)**	(17.3)
Increase in creditors	**8.8**	9.4
(Decrease) in provisions for liabilities and charges	**(0.1)**	(0.2)
Increase/(decrease) in provision for research grant and other awards	**25.1**	(36.9)
Net cash inflow from operating activities	**35.2**	18.3

Analysis of changes in net debt

	at 1 April 2022	Cash flows	New Finance leases	**As at 31 March 2023**
	£m	£m	£m	**£m**
Cash and cash equivalents				
Cash	25.2	(7.4)	–	**17.8**
Short term deposits	101.8	9.8	–	**111.6**
Cash and cash equivalents	127.0	2.4	–	**129.4**
Borrowings				
Finance leases	(1.0)	0.4	(0.7)	**(1.3)**
Total	126.0	2.8	(0.7)	**128.1**

The notes on pages 116 to 137 form an integral part of these financial statements.

Notes to the accounts

1. Accounting policies

Statement of compliance

The Group and Charity financial statements have been prepared in accordance with the Statement of Recommended Practice: 'Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)' (SORP) issued on 2 October 2019 and the 'Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' (FRS 102). They also comply with the reporting requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and the Charities Act 2011. BHF constitutes a public benefit entity as defined by FRS 102.

Basis of preparation

The Group and Charity financial statements have been prepared on a going concern basis (see below), under the historical cost convention, as modified by the revaluation of listed investments. The principal accounting policies applied in the preparation of the Group and Charity financial statements are set out below. These policies have been consistently applied to all the years presented.

Going concern

In determining the appropriate basis of preparation of the financial statements for the year ended 31 March 2023, the Trustees are required to consider whether BHF can continue in operational existence for the foreseeable future.

The Trustees have reviewed our financial position and financial forecasts, taking into account the levels of investment reserves and cash, and the systems of financial control and risk management. As a result of this review, the Trustees believe that we are well placed to manage operational and financial risks successfully. Accordingly, the Trustees have a reasonable expectation that the Charity and the Group have adequate resources to continue in operational existence for the foreseeable future, being a period of at least 12 months from the approval of the financial statements. As a consequence, they continue to support the going concern basis in accounting in preparing the annual accounts.

Reporting period

The financial statements for the year ended 31 March 2023 incorporate the trading results of our Retail operations for the 52 week period ended 25 March 2023 (2022: 52 week period ended 26 March 2022).

Basis of consolidation

The financial statements of BHF and its subsidiary companies are consolidated, on a line-by-line basis, to produce the Group financial statements. The consolidated entity is referred to as 'the Group'. The Charity has taken advantage of the exemption in section 408 of the Companies Act from disclosing its individual statement of financial activities.

Statement of cash flows

The Charity has taken advantage of the exemption in FRS 102 from preparing a statement of cash flows, on the basis that it is a qualifying entity and the Group statement of cash flows included in these financial statements includes the cash flows of the Charity.

Income

Income is recognised and included in the statement of financial activities when the Group has entitlement to the income, it is probable that the income will be received and the amount can be measured reliably. Income received relating to future accounting periods is deferred and recognised as a creditor within the balance sheet.

- **Donations** are recognised when income has been received. Gift Aid income on donations is accrued when there is a valid declaration from the donor.
- **Retail income** is recognised at point of sale. Goods donated for sale are included as income at the point of sale. Gift Aid income claimed under the UK Retail Gift Aid scheme is estimated and accrued at the point of sale.
- **Legacy income** is recognised in the statement of financial activities when BHF has entitlement to the income, receipt is probable and the income can be reliably measured. For the majority of legacies, entitlement is determined when probate has been granted. Where BHF has been notified of a legacy but probate information is not available or probate is not required to execute an estate, our entitlement is estimated with consideration to the date we are notified of the legacy, our history of similar legacies and any other information available for a specific estate. Revisionary interests involving a life tenant are not recognised unless the life tenant has passed away. Income is estimated based on the best available information at the time. Where estate accounts or notification of expected income have not been received for an estate, income is estimated using a portfolio approach based on historical experience of income from similar legacies. Historical legacies of a material value are excluded from our legacy portfolio valuation model.
- For **event income**, entitlement is counted at the date of the event. Where income is received in advance, recognition is deferred and included in creditors and where entitlement arises before income is received, the income is accrued.

Notes to the accounts

- Income from **government grants**, is recognised when the Charity has entitlement to the funds and any performance conditions attached to the grants have been met.
- **Investment income:** interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity. Dividends are recognised once the dividend has been declared and the right to receive payment has been established.
- **Gifts in kind and donated services** are included in income and expenditure, if a value can be reliably measured, at the estimated value to the Charity. In accordance with the Charities SORP (FRS 102), no amounts are included in the financial statements for services donated by volunteers, including professional services provided directly by volunteers.

Expenditure

Expenditure is recognised when there is a legal or constructive obligation committing the Group to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds (donations and legacies) comprise costs incurred in generating donation and legacy income, including fundraising staff costs and fundraising marketing costs.
- Trading costs comprise costs associated with operating our Retail operations together with costs of running trading activities conducted to generate fundraising income, such as events and lottery costs.
- Charitable expenditure includes costs of grant awards and other direct costs incurred towards achieving BHF's charitable objectives. Grant expenditure is recognised in the year of award and when communicated to the recipient in line with the SORP (see 'awards' for more detail on individual grant types).

Direct costs, including directly attributable salaries, are allocated on an actual basis to each expenditure heading.

Shared costs are allocated, where appropriate, across different expenditure headings. It has been estimated that 6% (2022: 6%) of the content of our fundraising material provides educational information that furthers BHF's charitable objectives. Accordingly 6% of costs in generating fundraising material have been allocated to charitable expenditure (2022: 6%).

Governance costs relate to the management of BHF's assets, organisational administration and compliance with constitutional and statutory requirements. Support costs are costs incurred which are not directly attributable to our charitable, fundraising or retail activities, including for example head-office finance, human resources and legal costs. Governance and support costs have been allocated to expenditure headings on the basis of time spent.

Costs arising from service contracts to use cloud-based software are recognised as an expense in the Statement of Financial Activities.

Irrecoverable VAT is included within the expense items to which it relates.

Awards

Grants awarded are included within charitable expenditure when the award of the grant has been communicated to the recipient.

Grants awarded are commitments by BHF to reimburse grant recipients for expenditure incurred, up to the value of the grant award. Grant payments are made to recipients retrospectively when invoiced by the recipient and when supporting evidence of costs incurred has been provided.

Grants are recognised as a provision, reflecting the uncertainty of the timing and value of payment for grants. To calculate the grants award provision, the timing and value of grant payments is estimated using a portfolio approach based on historical experience of similar grant awards. The expected underspend against award value reflected within the grant provision range from zero to 12.7% of award value and at 31 March 2023 reflects 5.9% (2022: 6.9%) of the grant award value for open grants.

All grant provisions in excess of one year are discounted to net present value. The discount rate used to determine the net present value is calculated with reference to UK Gilt yields at the balance sheet date, weighted to reflect the expected phasing of future grant payments. The discount rate applied at 31 March 2023 was 3.65% (2022: 1.37%).

Chairs (also referred to as BHF Professors)
Awards are subject to a quinquennial site visit and review. For new chairs, an initial five-year award is recognised in the financial statements, with a further five years disclosed as a contingent liability and recognised as a provision in the financial statements only on satisfactory completion of the quinquennial site visit and review. For chairs awarded before this policy changed, a contingent liability is recognised from the end of the current five-year award up to the date of retirement.

Programme grants
Awards run initially for five years with a two-and-a-half-year review and can be extended for a further period of five years subject to Committee approval. On the basis of experience, it is assumed that the overwhelming majority of applicants will be successful at the mid-term review and therefore provision is made in the financial statements for expected future payments required to settle BHF's five year commitment.

Notes to the accounts

Other Research grants
Where grants are conditional upon the successful achievement of project milestones the total award value is disclosed as a contingent liability and expected payments to the next milestone performance review are recognised as a grant provision in the financial statements. For unconditional grants, provision is made in the financial statements for expected future payments required to settle grant awards.

Healthcare Innovation grants
Grants are made in furtherance of BHF's objective to work with patients and the public for better health and care. On award of a grant, provision is made in the financial statements for the expected future payments required to settle the grant award.

Fund accounting

Unrestricted funds comprise funds that are available for use at the Trustees' discretion in furtherance of BHF's objectives. Restricted funds are subject to restrictions imposed by the donor. Endowment funds, which are permanent, represent amounts for which the capital must be retained and invested. Restricted and endowment funds assets are held as investments, pooled together with general reserve investments, until expenditure is incurred.

Tangible fixed assets

Tangible assets are stated at cost which includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is calculated on a straight line basis. The costs of fixed assets are written off over their estimated useful lives at the following rates:

Freehold property:
over 50 years

Short leasehold property:
over the life of the lease

Shop fittings:
over 7 years

Plant, equipment and vehicles:
over 3-4 years

IT equipment and software:
over 3-5 years

BHF only capitalises items costing more than £1,000. However, if components of equipment (e.g. office furnishings or personal computers) are acquired with individual unit costs below the capitalisation threshold but with collective costs exceeding £1,000 and anticipated asset lives in excess of two years, then these groups of assets are collectively capitalised at the time of purchase. The holding values and estimated useful lives of assets are regularly reviewed for impairment and where deemed appropriate, are written down.

Investments

Investments are a form of basic financial instrument and are initially recognised at transaction value and subsequently measured at fair value as at the balance sheet date using the closing market bid price. The statement of financial activities includes the net unrealised gains and losses arising on revaluation and realised gains and losses arising from disposals throughout the year. Realised gains and losses are calculated as the difference between sale proceeds and the opening carrying value or the purchase value if acquired in the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and the opening carrying value or purchase value if acquired in the financial year.

Foreign currency

Foreign currency transactions are recorded at the exchange rate at the time of the transaction. Foreign currency balances are translated into sterling at the exchange rate at the balance sheet date. Resulting gains or losses are included in the statement of financial activities.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, cash held in current accounts with UK banks and readily realisable short term fixed interest investments managed on behalf of BHF by Royal London Asset Management Limited.

Inventories

Inventories purchased for sale are valued on a weighted average cost basis and carried at the lower of cost and net realisable value. Provision is made to reduce carrying values to net realisable value for slow moving, obsolete and defective stock. The provision at 31 March 2023 was £0.2m (2022: £0.4m). Inventories does not include goods donated for sale as it is impractical to measure the fair value of these donated items reliably.

Pension costs

BHF's defined benefit scheme was closed to future accrual on 31 May 2016. BHF employee costs include the net pension finance income or costs, together with the expenses of running the Scheme. Actuarial gains and losses are recognised immediately on the face of the statement of financial activities. Where the pension scheme valuation shows a net deficit, this is reported separately on the face of the balance sheet and within reserves. Where the valuation shows a net surplus, an asset ceiling is applied to the extent that future economic benefits are not available to the Charity in the form of a reduction in future contributions or a cash refund. The detailed assumptions relating to the valuation of the defined benefit scheme can be found in note 14.

For defined contribution schemes, the amount charged to the statement of financial activities for pension costs is the total contributions payable in the year. This amount is allocated to expenditure headings and funds on the same basis as staff costs, reflecting the activities performed by staff.

Operating leases

Rents payable under operating leases are charged to the statement of financial activities on a straight-line basis over the lease term. Benefits received as a lease incentive are credited to the statement of financial activities, to reduce the lease expense, on a straight-line basis over the lease term.

Finance leases

A lease is classified as a finance lease if it transfers substantially all of the risks and rewards of ownership of the leased asset to the Group. Assets acquired under finance leases are reported within fixed assets and are capitalised when acquired at fair value or, if lower, at the present value of the minimum lease payments. These assets are subsequently depreciated over the shorter of the estimated useful economic life of the asset or the lease term. The payment obligations arising from the future lease payments are discounted and recorded as a liability in the balance sheet.

Taxation

As a registered charity BHF is entitled to certain exemptions from corporation tax on profits from investments and any trading activities carried on in furtherance of the Charity's primary objectives.

The subsidiary companies make qualifying donations of all taxable profits to BHF and thus do not incur corporation tax. Costs are recorded net of recoverable VAT as the Group is able to reclaim a proportion of VAT paid, because of its trading activities, using the partial exemption method.

Significant areas of estimation and judgement

The preparation of the financial statements requires judgements, estimations and assumptions to be made that affect the reported values of assets, liabilities, revenues and expenses. The nature of estimation and judgement means that actual outcomes could differ from expectation.

Critical accounting judgements

In the event that the FRS 102 valuation of the defined benefit pension scheme identifies a net surplus, judgement is applied regarding the extent to which any such surplus is available to BHF in the form of a reduction in future contributions or a cash refund. Where such a surplus is not deemed available to BHF, an asset ceiling is applied, as further discussed in note 14.

Sources of estimation uncertainty

- Accrued legacy income is estimated based on the best information available at the balance sheet date. Historical average legacy income is used to provide an estimated valuation where no specific information is available. An increase/(decrease) to the average legacy value of 5% would result in an increase/(decrease) to accrued legacy income of £0.3m (0.4%). In calculating the accrued value of each estate we apply an estimated deduction of 5% to reflect the costs and uncertainty of administering the estate. An increase/(decrease) of 1% to the provision for legacy administration would result in an increase/(decrease) to accrued legacy income of £0.9m (0.9%).
- Grant provisions are estimated based on expected future cash flows and the expected utilisation against original award values, calculated based on historical grant payment profiles and utilisation rates. The non-current liability is then discounted based on expected future cash flows. A 1% increase/(decrease) to the utilisation rate applied to grant awards would result in a £4.2m (1.3%) increase/(decrease) in the provision for research and other grant awards. A 1% increase/(decrease) to the discount rate used would result in a £4.6m (1.4%) decrease/(increase) in the provision for research and other grant awards.
- BHF recognises and discloses its defined benefit pension obligation in accordance with 'FRS 102– Employee Benefits'. The valuation, prepared by a qualified actuary, reflects a number of judgements and estimations including the expected return on assets, the discount rate, cost inflation and life expectancy. Changes in these assumptions have a significant effect on the value of the defined benefit pension obligation.
- Provisions for liabilities and charges (see note 11) represents the best estimate of the liability at the balance sheet date of future unavoidable lease costs in respect of loss-making stores and an estimate of the probable future costs of restoring rented properties to their required condition at the ultimate expiry of the lease. The actual liability will be dependent on future events including whether a relevant property lease is renewed on expiry. Expectations are revised at each period end until the actual liability arises, with any difference accounted for in the period in which revision is made.

2. Donations and legacies

	Unrestricted fund £m	Restricted fund £m	2023 Total funds £m
Legacies	**93.8**	**1.2**	**95.0**
Donations	**19.2**	**10.1**	**29.3**
Donations received in BHF Shops	**3.3**	**–**	**3.3**
Volunteer fundraising	**14.5**	**0.1**	**14.6**
Total income from donations and legacies	**130.8**	**11.4**	**142.2**

	Unrestricted fund £m	Restricted fund £m	2022 Total funds £m
Legacies	100.6	2.0	102.6
Donations	21.6	4.4	26.0
Donations received in BHF Shops	3.3	–	3.3
Volunteer fundraising	15.0	0.1	15.1
Total income from donations and legacies	140.5	6.5	147.0

The Charity has received notification of 377 legacies (2022: 340) with an estimated value of £10.9m (2022: £9.1m) which are not included in legacy income. This includes legacies which are subject to a life interest, legacies which have not yet been granted probate, and contentious legacies.

3. Trading activities

	Income/direct costs £m	Support cost allocation £m	2023 Total £m
Retail income*	**222.3**	**–**	**222.3**
Government support – Covid-19 (trading)	**–**	**–**	**–**
Retail costs	**(195.2)**	**(5.5)**	**(200.7)**
Retail net profit	**27.1**	**(5.5)**	**21.6**
Income from fundraising trading activities	**7.1**	**–**	**7.1**
Costs of fundraising trading	**(3.3)**	**–**	**(3.3)**
Net fundraising trading income	**3.8**	**–**	**3.8**
Contribution from trading activities	**30.9**	**(5.5)**	**25.4**
Represented by:			
Total trading income	**229.4**	**–**	**229.4**
Government support – Covid-19 (trading)	**–**	**–**	**–**
Total trading costs	**(198.5)**	**(5.5)**	**(204.0)**
Contribution from trading activities	**30.9**	**(5.5)**	**25.4**

	Income/direct costs £m	Support cost allocation £m	2022 Total £m
Retail income*	195.3	–	195.3
Government support – Covid-19 (trading)	1.5	–	1.5
Retail costs	(172.1)	(4.1)	(176.2)
Retail net profit	24.7	(4.1)	20.6
Income from fundraising trading activities	4.9	–	4.9
Costs of fundraising trading	(2.1)	–	(2.1)
Net fundraising trading income	2.8	–	2.8
Contribution from trading activities	27.5	(4.1)	23.4
Represented by:			
Total trading income	200.2	-	200.2
Government support – Covid-19 (trading)	1.5	-	1.5
Total trading costs	(174.2)	(4.1)	(178.3)
Contribution from trading activities	27.5	(4.1)	23.4

*2023 includes income of £59.7m (2022: £49.0m) representing donations from our supporters on which Gift Aid has been claimed from sale of goods through the Retail Gift Aid Programme.

Notes to the accounts

4. Gross expenditure

	Awards (note 9)	Staff costs	Other direct costs	Support costs allocated	Total 2023
	£m	£m	£m	£m	£m
Expenditure on raising funds					
Costs of raising funds	–	14.9	12.6	4.6	32.1
Investment management fees	–	–	0.9	–	0.9
Total fundraising costs	–	14.9	13.5	4.6	33.0
Expenditure on trading activities					
Retail costs	–	71.6	123.6	5.5	200.7
Other trading costs	–	–	3.3	–	3.3
Total trading costs	–	71.6	126.9	5.5	204.0
Expenditure on charitable activities					
Research	96.3	1.4	0.7	1.0	99.4
Healthcare Innovation	1.1	8.0	19.7	4.9	33.7
Total charitable expenditure	97.4	9.4	20.4	5.9	133.1
Support cost allocated	–	15.1	0.9	(16.0)	–
Total expenditure	97.4	111.0	161.7	0.0	370.1

	Awards (note 9)	Staff costs	Other direct costs	Support costs allocated	Total 2022
	£m	£m	£m	£m	£m
Expenditure on raising funds					
Costs of raising funds	–	17.2	9.4	3.6	30.2
Investment management fees	–	–	1.1	–	1.1
Total fundraising costs	–	17.2	10.5	3.6	31.3
Expenditure on trading activities					
Retail costs	–	66.5	105.6	4.1	176.2
Other trading costs	–	–	2.1	–	2.1
Total trading costs	–	66.5	107.7	4.1	178.3
Expenditure on charitable activities					
Research	59.7	1.3	0.6	0.8	62.4
Healthcare Innovation	(0.6)	4.1	18.0	3.8	25.3
Total charitable expenditure	59.1	5.4	18.6	4.6	87.7
Support cost allocated	–	9.8	2.5	(12.3)	–
Total expenditure	59.1	98.9	139.3	–	297.3

Support costs included in gross expenditure

BHF adopts a policy of allocating costs to the respective cost headings throughout the year, and this allocation includes support costs where they are directly attributable.

Support costs are allocated to activities on a basis relevant to the nature of the underlying cost, including headcount, time spent or in proportion to resources used.

4. Gross expenditure (continued)

Analysis of support costs	Fundraising	Trading	Charitable expenditure: Research	Charitable expenditure: Healthcare Innovation	Total 2023
	£m	£m	£m	£m	£m
CEO, strategy and legal	0.4	0.3	0.1	0.5	1.3
Information technology	1.5	3.4	0.3	1.7	6.9
Finance, risk and procurement	1.0	0.9	0.2	0.8	2.9
Human resources	1.5	0.6	0.4	1.7	4.2
Facilities management	0.1	0.1	–	0.1	0.3
Governance costs	0.1	0.2	–	0.1	0.4
Total Support Costs	4.6	5.5	1.0	4.9	16.0

	Fundraising	Trading	Charitable expenditure: Research	Charitable expenditure: Healthcare Innovation	Total 2022
	£m	£m	£m	£m	£m
CEO, strategy and legal	0.4	0.2	0.1	0.6	1.3
Information technology	1.0	2.5	0.2	1.2	4.9
Finance, risk and procurement	0.8	0.8	0.2	0.6	2.4
Human resources	1.1	0.4	0.3	1.2	3.0
Facilities management	0.1	0.1	–	0.1	0.3
Governance costs	0.2	0.1	–	0.1	0.4
Total Support Costs	3.6	4.1	0.8	3.8	12.3

	2023	2022
Support costs are made up of:	£m	£m
Staff costs	15.1	9.8
Other costs	0.9	2.5
Total Support Costs	16.0	12.3

4. Gross expenditure (continued)

Gross expenditure for the year is stated after charging/(crediting):	2023 £m	2022 £m
Operating lease rentals (land and buildings)	**25.9**	27.2
Loss on disposal of fixed assets	**0.1**	0.2
Depreciation charge for the year	**9.4**	11.0
Provision for impairment/(reversal of provision)	**0.1**	(0.2)
Auditors' remuneration(*)		
Audit fee	**0.1**	0.1
Non-audit services	**0.4**	–

*Auditors' remuneration comprises £107,658 (2022: £93,635) for the audit of the charity and £33,754 (2022: £26,283) audit fees of subsidiary undertakings. In addition £11,750 (2022: £10,925) was incurred in respect of British Heart Foundation Staff Pension Scheme and £420,000 (2022: £nil) in respect of non-audit services (technology consultancy). All numbers exclude VAT.

Staff and Trustee information Staff costs	2023 £m	2022 £m
Wages and salaries	**94.6**	85.0
Social security costs	**8.5**	7.1
Pension costs (see note 14)	**5.2**	4.7
Other benefits	**0.8**	0.6
Other staff costs	**1.9**	1.5
Total staff costs	**111.0**	98.9

Wages and salaries include redundancy costs of £0.4m (2022: £0.3m) arising from restructuring activities completed during the year. Redundancy costs are recognised and accrued when the employee has been notified of the planned redundancy.

All staff are employed by BHF. The average number of staff, employed in the year, was:	2023	2022
Head office	**642**	598
Regions	**74**	80
Shops	**3,475**	3,412
Total number of staff	**4,191**	4,090
Reflecting:		
Full time staff	**2,438**	2,439
Part time staff	**1,753**	1,651
Total number of staff	**4,191**	4,090
Full time equivalent average headcount	**3,409**	3,347

The following numbers of staff have emoluments above £60,000:	2023	2022
Between £60,000 - £70,000	**52**	42
Between £70,001 - £80,000	**26**	21
Between £80,001 - £90,000	**13**	19
Between £90,001 - £100,000	**15**	4
Between £100,001 - £110,000	**1**	2
Between £110,001 - £120,000	**1**	2
Between £120,001 - £130,000	**–**	1
Between £130,001 - £140,000	**2**	1
Between £140,001 - £150,000	**1**	–
Between £150,001 - £160,000	**–**	1
Between £160,001 - £170,000	**2**	1
Between £170,001 - £180,000	**–**	1
Between £180,001 - £190,000	**–**	–
Between £190,001 - £200,000	**1**	1
Between £200,001 - £210,000	**–**	–
Between £210,001 - £220,000	**1**	–

The key management personnel of BHF are the members of the Executive Group, further details of the membership and function of which is provided on page 105. The total employee benefits of the Executive Group in the year was £1.2m (2022: £1.1m).

Trustee costs: no Trustees received any remuneration for services as members of the Board of Trustees and three Trustees (2022: one trustee) were reimbursed for travelling expenses to and from meetings at a cost of £1,216 (2022: £119). As permitted in the Articles of Association, Trustee indemnity insurance was purchased at a total cost of £20,720 (2022: £20,430). Total Donations from Trustees amounted to £102,916 (2022: £103,310).

Notes to the accounts

5. Statement of funds

	Note	Balance 1 April 2022 £m	Income £m	Expenditure £m	Net investment loss £m	Actuarial gain £m	Balance 31 March 2023 £m
Endowment funds (Group and Charity)							
Chair endowment trusts	a	**7.1**	**–**	**–**	**–**	**–**	**7.1**
G M Yule bequest	b	**0.1**	**–**	**–**	**–**	**–**	**0.1**
Dr. John A Gordon memorial trust	c	**0.3**	**–**	**–**	**–**	**–**	**0.3**
Total endowment funds		**7.5**	**–**	**–**	**–**	**–**	**7.5**
Restricted funds (Group and Charity)							
Research	d	**4.2**	**3.9**	**(2.3)**	**–**	**–**	**5.8**
Healthcare Innovation	e	**0.6**	**0.3**	**(0.5)**	**–**	**–**	**0.4**
Unallocated legacies	f	**2.7**	**0.6**	**(1.7)**	**–**	**–**	**1.6**
Oxford IDRM	g	**2.4**	**–**	**–**	**–**	**–**	**2.4**
Regenerative medicine	h	**0.1**	**2.9**	**(1.2)**	**–**	**–**	**1.8**
UK Government Covid-19 Medical Research Charity Support Fund	i	**–**	**3.7**	**–**	**–**	**–**	**3.7**
Total restricted funds		**10.0**	**11.4**	**(5.7)**	**–**	**–**	**15.7**
Unrestricted funds (Group)		**100.2**	**369.9**	**(364.4)**	**(3.3)**	**–**	**102.4**
Unrestricted funds (Charity)		**100.2**	**350.3**	**(344.8)**	**(3.3)**	**–**	**102.4**
Total Group funds		**117.7**	**381.3**	**(370.1)**	**(3.3)**	**–**	**125.6**
Total Charity funds		**117.7**	**361.7**	**(350.5)**	**(3.3)**	**–**	**125.6**

5. Statement of funds (continued)

	Note	Balance 1 April 2021	Income	Expenditure	Net investment gain	Actuarial gain	Balance 31 March 2022
		£m	£m	£m	£m	£m	£m
Endowment funds (Group and Charity)							
Chair endowment trusts	a	7.1	–	–	–	–	7.1
G M Yule bequest	b	0.1	–	–	–	–	0.1
Dr. John A Gordon memorial trust	c	0.3	–	–	–	–	0.3
Total endowment funds		7.5	–	–	–	–	7.5
Restricted funds (Group and Charity)							
Research	d	4.4	3.9	(4.1)	–	–	4.2
Healthcare Innovation	e	0.4	0.6	(0.4)	–	–	0.6
Unallocated legacies	f	2.5	1.0	(0.8)	–	–	2.7
Oxford IDRM	g	7.4	–	(5.0)	–	–	2.4
Regenerative medicine	h	2.4	1.0	(3.3)	–	–	0.1
Total restricted funds		17.1	6.5	(13.6)	–	–	10.0
Unrestricted funds (Group)		24.6	345.2	(283.7)	14.1	–	100.2
Unrestricted funds (Charity)		24.6	327.7	(266.2)	14.1	–	100.2
Total Group funds		49.2	351.7	(297.3)	14.1	–	117.7
Total Charity funds		49.2	334.2	(279.8)	14.1	–	117.7

Notes

a. The Chair endowment trusts represent permanent endowments returned to BHF by certain universities (see below). The interest earned on the money held is restricted and expended on BHF's Chairs of Cardiovascular Medicine.

b. Income from the G M Yule bequest is available for the general activities of the charity.

c. Income from the Dr. John A Gordon memorial trust fund is restricted to expenditure on Healthcare Innovation activities.

d. Income where the donor has specified that the donation should be expended on BHF's research activities.

e. Income where the donor has specified that the donation should be expended on BHF's Healthcare Innovation activities.

f. Restricted legacy donations are received for both research and Healthcare Innovation. In some cases we are unable to distribute funds fully according to the specific terms of the bequest in the year of receipt and expenditure takes place in future years.

g. Income towards BHF's research activities at the Institute of Developmental and Regenerative Medicine (IDRM), based at Oxford University, a world-leading centre for stem cell technology.

h. Includes income from the London Marathon (October) 2022 restricted fundraising appeal, and the Mending Broken Hearts ("MBH") 50th anniversary appeal, expended on BHF's regenerative medicine research activities.

i. Income from the UK Government to protect the pipeline of early career researchers supported by BHF.

Endowment of BHF Chairholders

BHF has 26 Chairs (also known as BHF Professors) as at 31 March 2023. Of this number, 3 universities hold endowments and 6 previously returned endowments are held on BHF balance sheet as permanent endowment funds with the income being used to part fund the ongoing cost of the chairs.

5. Statement of funds (continued)

Analysis of Group net assets between funds

	Unrestricted funds	Restricted funds	Endowment funds	**Total**
	£m	£m	£m	**£m**
Tangible fixed assets	29.9	–	–	**29.9**
Investments	185.8	–	–	**185.8**
Current assets	236.9	15.7	7.5	**260.1**
Current liabilities	(136.2)	–	–	**(136.2)**
Long-term liabilities	(214.0)	–	–	**(214.0)**
Total net assets as at 31 March 2023	**102.4**	**15.7**	**7.5**	**125.6**

Analysis of Charity net assets between funds

	Unrestricted funds	Restricted funds	Endowment funds	**Total**
	£m	£m	£m	**£m**
Tangible fixed assets	29.9	–	–	**29.9**
Investments	185.8	–	–	**185.8**
Current assets	234.9	15.7	7.5	**258.1**
Current liabilities	(134.2)	–	–	**(134.2)**
Long-term liabilities	(214.0)	–	–	**(214.0)**
Total net assets as at 31 March 2023	**102.4**	**15.7**	**7.5**	**125.6**

Analysis of Group net assets between funds

	Unrestricted funds	Restricted funds	Endowment funds	**Total**
	£m	£m	£m	**£m**
Tangible fixed assets	30.8	–	–	**30.8**
Investments	158.8	–	–	**158.8**
Current assets	226.7	10.0	7.5	**244.2**
Current liabilities	(123.9)	–	–	**(123.9)**
Long-term liabilities	(192.2)	–	–	**(192.2)**
Total net assets as at 31 March 2022	**100.2**	**10.0**	**7.5**	**117.7**

Analysis of Charity net assets between funds

	Unrestricted funds	Restricted funds	Endowment funds	**Total**
	£m	£m	£m	**£m**
Tangible fixed assets	30.8	–	–	**30.8**
Investments	158.8	–	–	**158.8**
Current assets	225.2	10.0	7.5	**242.7**
Current liabilities	(122.4)	–	–	**(122.4)**
Long-term liabilities	(192.2)	–	–	**(192.2)**
Total net assets as at 31 March 2022	**100.2**	**10.0**	**7.5**	**117.7**

6. Tangible fixed assets

Group and Charity	Freehold property	Short leasehold property	Shop fixtures and fittings	Vehicles	Furniture and equipment	IT equipment and software	Assets under construction	**Total**
	£m	£m	£m	£m	£m	£m	£m	**£m**
Cost								
At 1 April 2021	2.4	34.3	29.8	2.0	13.1	33.8	0.9	**116.3**
Transfers	-	-	-	-	-	0.6	(0.6)	**–**
Additions	-	1.6	0.8	-	0.1	0.7	1.2	**4.4**
Disposals	-	(0.8)	(1.1)	(0.3)	(1.4)	(0.2)	-	**(3.8)**
At 31 March 2022	2.4	35.1	29.5	1.7	11.8	34.9	1.5	**116.9**
Transfers	-	-	-	-	-	1.1	(1.1)	**–**
Additions	-	1.1	3.4	0.4	0.4	0.3	3.2	**8.8**
Disposals	-	(0.9)	(0.9)	(0.3)	(0.2)	(7.2)	-	**(9.5)**
At 31 March 2023	2.4	35.3	32.0	1.8	12.0	29.1	3.6	**116.2**
Accumulated depreciation								
At 1 April 2021	0.5	23.0	23.6	1.5	11.7	18.4	–	**78.7**
Depreciation charge	0.1	2.2	1.9	0.2	0.7	5.9	–	**11.0**
Provision for impairment	–	(0.2)	–	–	–	–	–	**(0.2)**
Disposals	–	(0.7)	(0.9)	(0.3)	(1.3)	(0.2)	–	**(3.4)**
At 31 March 2022	0.6	24.3	24.6	1.4	11.1	24.1	–	**86.1**
Depreciation charge	–	2.2	1.9	0.2	0.5	4.6	–	**9.4**
Provision for impairment	–	0.1	–	–	–	–	–	**0.1**
Disposals	–	(0.8)	(0.9)	(0.2)	(0.2)	(7.2)	–	**(9.3)**
At 31 March 2023	0.6	25.8	25.6	1.4	11.4	21.5	–	**86.3**
Net book values								
At 31 March 2023	1.8	9.5	6.4	0.4	0.6	7.6	3.6	**29.9**
At 31 March 2022	1.8	10.8	4.9	0.3	0.7	10.8	1.5	**30.8**

The net carrying amount of assets held under finance leases included in IT equipment and software is £1.0m (2022: £1.3m) and vehicles is £0.3m (2022: £nil).

There are no future capital expenditure commitments on specific projects for the Group (2022: £nil).

Notes to the accounts

7. Investments

Group and Charity **Analysis of movement**	**2023** **£m**	2022 £m
Market value at 1 April	**158.8**	149.4
Purchase of investments at cost	**113.4**	63.2
Disposal proceeds	**(83.1)**	(67.9)
	189.1	144.7
Net (loss)/gain on investments	**(3.3)**	14.1
Market value at 31 March	**185.8**	158.8
Original cost	**165.5**	124.5
Represented by		
Listed investments: equities	**135.4**	136.3
Short dated corporate bonds	**48.6**	19.4
Cash held for investment purposes;	**1.8**	3.1
Total investments at 31 March	**185.8**	158.8

Listed investments include overseas investments of £127.0m (2022: £127.2m).

No material shareholdings were held by the Charity in any one company. The Trustees consider the value of investments to be supported by their underlying assets, as appropriate.

The Charity holds 100 per cent shareholdings in the two (2022: three) subsidiary undertakings within the Group; these are valued at cost of £5 (see note 13).

For investments sold during the financial year, the realised gain against historic cost was £10.9m (2022: £16.1m)

8. Debtors

	Group		Charity	
	2023 **£m**	2022 £m	**2023** **£m**	2022 £m
Amount owed by group undertakings	**–**	–	**16.9**	16.9
Other debtors	**8.6**	3.7	**7.4**	2.9
Tax recoverable	**3.0**	5.3	**3.0**	5.3
Prepayments	**11.0**	10.1	**11.0**	10.0
Accrued income	**3.5**	1.3	**3.5**	1.2
Accrued legacies	**95.8**	90.8	**95.8**	90.8
Total debtors	**121.9**	111.2	**137.6**	127.1

Some accrued legacy income may be received after more than one year, but this has not been estimated due to uncertainty in the timing of receipt of such income.

9. Provision for research and other grant awards

Group and Charity	Healthcare Innovation	Research	2023	2022
	£m	£m	**£m**	£m
Provision for research and other grant awards				
Grants awarded during the year	1.5	115.6	**117.1**	72.3
Movement in estimated future grant underspend	(0.3)	(7.0)	**(7.3)**	(8.2)
Increase in grant discount	(0.1)	(12.3)	**(12.4)**	(5.0)
Net research grant awards as recognised in the statement of financial activities	1.1	96.3	**97.4**	59.1
Payments made during the year	(0.8)	(71.5)	**(72.3)**	(96.0)
Net movement in provision during the year	0.3	24.8	**25.1**	(36.9)
Grant provision at 1 April	2.0	280.0	**282.0**	318.9
Grant provision at 31 March	2.3	304.8	**307.1**	282.0
Awards falling due within one year			**98.0**	94.7
Awards falling due after more than one year			**209.1**	187.3
Grant provision at 31 March			**307.1**	282.0
Research and other grant awards commitments				
Total grants awarded and unpaid at 31 March, including conditional grant awards (total grant commitments)			**371.4**	339.9
Less conditional translation awards and Chairs grants*			**(5.6)**	(6.1)
Total unconditional grant awards outstanding at 31 March			**365.8**	**333.8**
Less estimated future grant award underspend*			**(40.4)**	(45.9)
Less grant discount			**(18.3)**	(5.9)
Grant provision at 31 March			**307.1**	282.0

Notes

*BHF has a contingent liability of £46.0m (2022: £52.0m) including £5.6m (2022: £6.1m) for awards conditional upon the favourable outcome of scientific reviews and £40.4m (2022: £45.9m) representing the expected future underspend against grant awards.

The Charity has discounted its long term liabilities, both for Research and Healthcare Innovation. A discount rate of 3.65% (2022:1.37%) has been applied to both amounts recognised in the financial statements as grant creditors and grant commitments (not applied to the financial statements). The discount rate applied is calculated with reference to UK Gilt yields at the balance sheet date, weighted to reflect the expected phasing of future grant payments. The gross discount value included in total liabilities for Research grant awards is £18.2m (2022: £5.9m) and for Healthcare Innovation grant awards £0.1m (2022: £0.0m).

Notes to the accounts

9. Provision for research and other grant awards (continued)

The Charity occasionally receives applications for grants from, and makes awards to, universities and hospitals which employ members of the Board of Trustees or Council in senior research capacities. All grants are made to institutions, and a list of awards made during the year is available in the Charity's website at

www.bhf.org.uk/research/information-for-researchers/previous-awards (this is unaudited)

The top 50 grants made in 2022-23 are listed below.

			2023
Institution	**Activity**	**Number of grants**	**£m**
University of Oxford *	Research	9	**37.0**
Imperial College London	Research	6	**5.4**
University of Edinburgh	Research	3	**5.0**
University of Cambridge	Research	6	**4.0**
University College London	Research	3	**3.0**
King's College London	Research	3	**2.8**
Queen Mary, University of London	Research	4	**2.8**
University of Leeds	Research	4	**2.5**
Medical Research Council	Research	1	**2.0**
University of Southampton	Research	1	**1.8**
University of Bristol	Research	2	**1.7**
University of Leicester	Research	2	**1.2**
University of Nottingham	Research	1	**1.0**
Cardiff University	Research	1	**0.8**
University of Birmingham	Research	1	**0.8**
The Academy of Medical Sciences	Research	1	**0.7**
University of Sheffield	Research	1	**0.5**
University of Manchester	Research	1	**0.4**
Total		50	**73.4**
Other grants paid to institutions	Research		**42.2**
	Healthcare Innovation		**1.5**
Total grants and awards			**117.1**

Notes

* The total grants awarded during the year to the University of Oxford include the £30.0m CureHeart programme, which the university administers on behalf of an international team.

10. Other creditors

	Group		Charity	
	2023	2022	**2023**	2022
	£m	£m	**£m**	£m
Other creditors	**6.4**	5.3	**5.6**	4.9
Finance lease creditor	**0.5**	0.3	**0.5**	0.3
Taxation and social security	**2.0**	1.8	**2.0**	1.8
Accruals	**25.6**	17.6	**24.4**	16.7
Deferred income	**1.9**	2.5	**1.9**	2.3
Holiday pay accrual	**1.8**	1.7	**1.8**	1.7
Total other creditors	**38.2**	29.2	**36.2**	27.7

Deferred income

	Group		Charity	
	2023	2022	**2023**	2022
	£m	£m	**£m**	£m
Deferred income at 1 April	**2.5**	2.0	**2.3**	2.0
Released during the year	**(2.5)**	(2.0)	**(2.3)**	(2.0)
Income received during the year to be deferred	**1.9**	2.5	**1.9**	2.3
Deferred income at 31 March	**1.9**	2.5	**1.9**	2.3

Deferred income relates to events where income is received in advance.

11. Provision for liabilities and charges

	Group		Charity	
	2023	2022	**2023**	2022
	£m	£m	**£m**	£m
Provision at 1 April	**4.2**	4.4	**4.2**	4.4
Provision utilised in year	**(0.8)**	(0.8)	**(0.8)**	(0.8)
Provision accrued in year	**0.7**	0.6	**0.7**	0.6
Provision at 31 March	**4.1**	4.2	**4.1**	4.2

The provision comprises the onerous lease costs of £0.1m (2022:£0.1m) in respect of loss-making stores and an estimate of the probable future costs of restoring rented properties to their required condition at the ultimate expiry of the lease of £4.0m (2022: £4.1m) based on the dilapidation costs required, provided the lease is not renewed. The provision is expected to be utilised between 2023 and 2039 as leases terminate. Prior to confirmation of the payment amount and date, values are estimated based on historical data, the ongoing monitoring of lease contracts, and advice from property advisers.

12. Operating leases

At 31 March the Group had total commitments under non-cancellable operating leases as follows:

	2023	2022
	£m	£m
Payment due:		
Within one year	**24.2**	24.5
Between two and five years	**62.7**	66.9
After five years	**20.8**	26.8
Total operating lease commitments	**107.7**	118.2

Notes to the accounts

13. Subsidiary undertakings

The British Heart Foundation has two wholly owned non-charitable subsidiary undertakings registered in England and Wales, both of which are consolidated. The registered address for both subsidiary undertakings is Greater London House, 4th Floor, 180 Hampstead Road, London NW1 7AW.

These are:

Company name	Registered company number	Activity
British Heart Foundation Ventures Limited	02767880	Making commission arrangements and sponsorship agreements
BHF Shops Limited	02472513	Retailing new (non-donated) goods online and in BHF shops

The share capital of each subsidiary is as follows – British Heart Foundation Ventures Limited (3 ordinary shares of £1), BHF Shops Limited (2 ordinary shares of £1).

The taxable profits of these undertakings are paid to the Charity (parent) each year as Gift Aid.

London to Brighton Bike Ride Limited (02672643), a wholly owned subsidiary, was dissolved on 9 August 2022.

	British Heart Foundation Ventures Limited	BHF Shops Limited	**Total 2023**	Total 2022
	£m	£m	**£m**	£m
Turnover	1.1	40.4	**41.5**	36.0
Cost of sales	–	(19.4)	**(19.4)**	(17.5)
Gross profit	1.1	21.0	**22.1**	18.5
Other income	–	1.0	**1.0**	1.0
Other costs	–	(5.7)	**(5.7)**	(4.3)
Net taxable profit	1.1	16.3	**17.4**	15.2
Distribution to parent	(1.1)	(16.3)	**(17.4)**	(15.2)
Assets	1.2	17.7	**18.9**	18.3
Liabilities	(1.2)	(17.7)	**(18.9)**	(18.3)
Net assets	–	–	**–**	–

14. Pensions

BHF operates a defined contribution scheme and a defined benefit scheme for its employees.
The total pension cost for the financial year was:

Pension costs	2023	2022
	£m	£m
Defined contribution scheme	**5.1**	4.6
Defined benefit scheme	**0.1**	0.1
	5.2	4.7

i) Defined contribution scheme

BHF operates a defined contribution scheme for certain eligible employees, the total cost of which for the year ended 31 March 2023 was £5.1m (2022: £4.6m). From 1 August 2013, all employees have been automatically enrolled into the defined contribution scheme and BHF contributes between 2% and 25% of pensionable salaries.

ii) Defined benefit scheme

BHF operates a defined benefit scheme, the assets of which are held in a separate Trustee-administered fund. The scheme closed to new entrants from 30 June 2001 and to service accrual on 31 May 2016, such that from this date the pension benefit for the remaining active members will be of a defined contribution type.

The last valuation of the scheme was carried out as at 1 July 2020 and issued in March 2021. The market value of the scheme's assets at that date was £75.5m and it showed a funding surplus of £2.0m. For this reason, no further contributions to the Scheme are currently anticipated but BHF will continue to separately settle the cost of running the Scheme. The next valuation is due as at 1 July 2023.

In accordance with the requirements of the relevant accounting standard (FRS 102), the full actuarial valuation of the defined benefit scheme dated 1 July 2020 has been updated at 31 March 2023 by a qualified actuary. This reflects the application of broadly consistent assumptions to the actuarial valuation, with the exception of the discount rate, where a less conservative rate is required by FRS 102. On the FRS 102 basis, the Scheme has a surplus at 31 March 2023 of £2.0m (2022: surplus of £10.9m). In accordance with FRS 102, this surplus is not recognised, as future economic benefits are not deemed available to BHF in the form of a reduction in future contributions or a cash refund.

The major assumptions used for the actuarial valuation were:

	2023	2022	2021	2020	2019
	%	%	%	%	%
Salary growth	**3.3**	3.7	3.4	2.6	3.6
Pension increases in payment – Limited Price Indexation	**3.2**	3.6	3.3	2.0	2.6
Pension increases in payment – guaranteed	**5.0**	5.0	5.0	5.0	5.0
Discount rate	**4.6**	2.7	2.0	2.3	2.4
Inflation – RPI	**3.3**	3.7	3.4	2.6	3.6

Mortality

The average life expectancy in years of a pensioner retiring at age 65 on the balance sheet date is as follows:

	2023	2022
Male	**87.0**	86.9
Female	**89.4**	89.3

The average life expectancy in years of a pensioner retiring at age 65 twenty years after the balance sheet date is as follows:

	2023	2022
Male	**88.3**	88.3
Female	**90.8**	90.8

14. Pensions (continued)

Major categories of plan assets as a percentage of total scheme assets

	Asset categories as a percentage of plan assets	
	2023	2022
	%	%
Corporate bonds	**75.0**	80.0
Liability Driven Investment (LDI) funds	**24.0**	19.0
Cash/other	**1.0**	1.0

Analysis of amount charged to the Statement of Financial Activities under FRS 102

	2023	2022
	£m	£m
Current service cost	**–**	–
Expenses	**0.1**	0.1
Past service cost	**–**	–
Total operating charge	**0.1**	0.1
Interest income on pension scheme assets	**(1.7)**	(1.4)
Interest on pension scheme liabilities	**1.4**	1.2
Interest effect of the asset ceiling	**0.3**	0.2
Total amount charged to the Statement of Financial Activities	**0.1**	**0.1**

Analysis of actuarial (loss)/gain and effect of the asset ceiling

Actuarial (loss)/gain before consideration of asset ceiling	**(9.2)**	0.2
Amounts not recognised due to effect of asset ceiling	**9.2**	(0.2)
Total actuarial (loss)/gain and effect of asset ceiling	**–**	**–**

Analysis of changes in the present value of defined benefit obligations and fair value of assets

	Present value of defined benefit obligation		Fair value of scheme assets		Asset ceiling		Net liability recognised in the balance sheet	
	2023	2022	**2023**	2022	**2023**	2022	**2023**	2022
	£m	£m	**£m**	£m	**£m**	£m	**£m**	£m
Scheme (liabilities)/assets at the start of the year	**(53.9)**	(59.2)	**64.8**	69.7	**(10.9)**	(10.5)	**–**	–
Interest cost	**(1.4)**	(1.2)	**–**	–	**–**	–	**(1.4)**	(1.2)
Interest income on assets	**–**	–	**1.7**	1.4	**–**	–	**1.7**	1.4
Actuarial gain/(loss) and effect of asset ceiling	**14.8**	5.0	**(24.0)**	(4.8)	**–**	–	**(9.2)**	0.2
Benefits paid	**1.9**	1.5	**(1.9)**	(1.5)	**–**	–	**–**	–
Interest effect of the asset ceiling	**–**	–	**–**	–	**(0.3)**	(0.2)	**(0.3)**	(0.2)
Remeasurement of the asset ceiling	**–**	–	**–**	–	**9.2**	(0.2)	**9.2**	(0.2)
Scheme (liabilities)/assets at the end of the year	**(38.6)**	(53.9)	**40.6**	64.8	**(2.0)**	(10.9)	**–**	–

14. Pensions (continued)

Analysis of pension scheme assets and liabilities for the previous four financial years

	2023	2022	2021	2020	2019
	£m	£m	£m	£m	£m
Defined benefit obligation (DBO)	**(38.6)**	(53.9)	(59.2)	(53.5)	(55.8)
Fair value of pension scheme assets (including asset ceiling)	**38.6**	53.9	59.2	53.5	55.8
Pension deficit	**–**	–	–	–	–
Experience (loss)/gain on pension scheme assets	**(9.2)**	0.2	(5.4)	6.0	0.7
Adjustments as a percentage of pension scheme assets	**(24%)**	0%	(9%)	11%	1%

Analysis of change in the effect of the asset limit

	2023	2022
	£m	£m
Opening effect of the asset limit	**10.9**	10.5
Interest effect of the asset limit	**0.3**	0.2
Remeasurement of the asset limit	**(9.2)**	0.2
Closing effect on the asset limit	**2.0**	10.9

15. Financial instruments

		Group		**Charity**	
		2023	2022	**2023**	2022
	Note	**£m**	£m	**£m**	£m
Financial assets at fair value through statement of financial activities					
Investments	7	**185.8**	158.8	**185.8**	158.8
Financial assets that are debt instruments measured at amortised cost					
Amount owed by subsidiary undertakings	8	**–**	–	**16.9**	16.9
Other debtors	8	**8.6**	3.7	**7.4**	2.9
Accrued income	8	**3.5**	1.3	**3.5**	1.2
Accrued legacies	8	**95.8**	90.8	**95.8**	90.8
Cash and cash equivalents		**129.4**	127.0	**120.5**	115.6
		237.3	222.8	**244.1**	227.4
Financial liabilities at fair value through statement of financial activities					
Grants provision	9	**307.1**	282.0	**307.1**	282.0
		307.1	282.0	**307.1**	282.0
Financial liabilities that are debt instruments measured at amortised cost					
Other creditors	10	**6.4**	5.3	**5.6**	4.9
Accruals	10	**25.6**	17.6	**24.4**	16.7
		32.0	22.9	**30.0**	21.6

Notes to the accounts

16. Related Party Transactions

Donations received from and expenses reimbursed to Trustees and the total employee benefits of the Executive Group of the Charity are disclosed in note 4.

Transactions by the Charity with its defined benefit pension scheme are set out in note 14. There were no other transactions during the year that come within the FRS 102 definition of 'related party transactions'.

As set out in note 9 on pages 130-131, the Charity occasionally receives applications for grants from, and makes awards to, universities and hospitals which employ members of the Board of Trustees in senior research capacities. All such grants are made to institutions. A summary of the top 50 grants is provided on page 131. In certain cases, a BHF Trustee holds a senior position in the institutions we fund. In this context, the grant funding is regarded as being between related parties, as the individuals concerned holds a position of influence in both parties to the transaction. Such instances are set out below, although in no case was the Trustee involved in either the grant funding decision or the grant application process.

Wendy Becker is the Chair of the Trustees of the Charity (from October 2022) and a Trustee of the University of Oxford, which was awarded £40.5m in grant funding during the year to 31 March 2023.

Professor John Iredale was a Trustee of the Charity (until October 2022) and is Pro-Vice Chancellor of University of Bristol, on secondment to the Medical Research Council as interim Executive Chair. The University of Bristol was awarded £4.3m of grant funding during the year to 31 March 2023 (2022: £2.4m) and the Medical Research Council was awarded £2.2m (2022: £0.2m) grant funding during the same period.

Professor David Lomas is a Trustee of the Charity and Vice Provost of University College London, which was awarded £5.5m of grant funding during the year (2022: £6.4m).

Professor Brian Walker is a Trustee of the Charity (since October 2022) and Deputy Vice Chancellor at Newcastle University. Newcastle University was awarded £0.3m grant funding during the year to 31 March 2023.

Daryl Fielding is CEO of The Marketing Academy Foundation. During the year, the Charity paid £nil (2022: £11,047) to The Marketing Academy Foundation for recruitment and training services.

For the year the Charity received income of £16.3m (2022: £14.2m) from BHF Shops Limited and £1.1m (2022: £1.0m) from British Heart Foundation Ventures Limited, being a corporate Gift Aid payment to the parent charity. In addition BHF Shops Limited reimbursed the Charity £4.8m (2022: £3.8m) for services and other expenses incurred on its behalf.

At the year end, the Charity was due £15.7m (2022: £15.9m) from BHF Shops Limited and £1.2m (2022: £1.0m) from British Heart Foundation Ventures Limited.

Legal and administrative details

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Registered charity number: 225971
Scottish Registered Charity Number: SCO39426
Isle of Man Charity Number: 1295

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British Heart Foundation

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BRITISH HEART FOUNDATION

England & Wales - Charity number 225971

Accounts

British Heart Foundation

Above and beyond...

Annual Report and Accounts 2022

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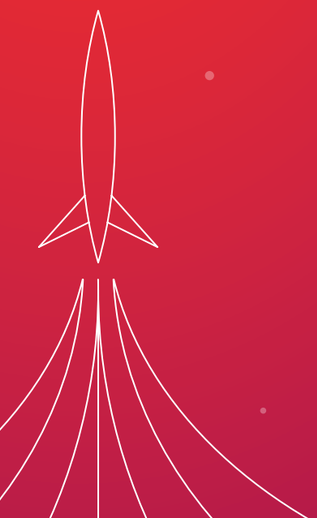
A rocket fuelled recovery

Scientific progress has gone into orbit with researchers from across the world joining forces in the fight against Covid-19.

Thanks to an accelerated vaccine roll-out, the world is now in a stronger position than at the start of the pandemic – and at the British Heart Foundation, we have also been recovering at speed.

Thanks to an astronomical team effort, we have streamlined our activities, innovated new ways to meet our objectives and funded even more lifesaving breakthroughs for people affected by heart and circulatory diseases. Through dark times, our people have shone – and we couldn't be prouder of every single person who has played a part in getting us back on track.

Here is our journey.



Message from our Chair

After seven incredible years as Chair of the British Heart Foundation (BHF), it is time for me to step down, and to say farewell to all the amazing people I have worked with along the way.

When I began this journey, I was mindful of the immense threat posed by heart and circulatory diseases. After many years of medical advances, progress was stalling and the curve was flattening. It was clear that we needed big ideas to deliver big results.

This intrepid optimism has seen us make progress on multiple fronts. We launched the Data Science Centre, an ambitious project to help researchers use an enormous pool of health data. This project has already taken a leading role in the national response to the Covid crisis.

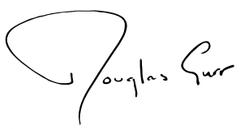
And we created the Big Beat Challenge to encourage researchers to imagine what problems they would solve if they had the resources. The response to this competition was truly epic, and our judging team had great difficulty choosing a single project to fund. I am thrilled to see that the winning proposal looks set to make history. In addition to advancing research and science, our teams have made great strides in supporting people in immediate, practical, and meaningful ways. This includes helping people living with heart and circulatory diseases, giving information to people concerned about the impact of Covid-19, helping to save lives by improving access to defibrillators with The Circuit, and giving more people vital CPR skills using the RevivR™ tool.

One of the most exciting changes I have witnessed during my tenure is the rise of science in the consciousness of wider society. As a research charity, this progression is immensely promising, because it means that more people believe in our reason for being. We are already embracing this trend in our new branding and campaigns.

Thanks to the relentless dedication of our people, volunteers, partners and researchers, the BHF is in a strong position, both financially and organisationally, to create a brighter future for the millions of people affected by heart and circulatory diseases.

It is with great pride that in October 2022 I will pass on the Chair of Trustee role to Wendy Becker after serving the maximum number of terms as Chair. Wendy will bring a wealth of experience to the BHF team and Board. She has held a number of Trustee and Non-Executive Director positions including as Deputy Chair of Trustees at Cancer Research UK and is currently a member of the Council of Oxford University and a Non-Executive Director at Sony Corporation. Her leadership, passion for research and expertise across medical, technology and commercial sectors will undoubtedly enhance the impact we have.

Thank you all for supporting me in my role, and I look forward to watching what's next for this extraordinary charity.



Dr Douglas Gurr
Chair

Message from our Chief Executive

These pages tell the story of the British Heart Foundation's recovery from the biggest challenge in our 60-year history.

It's a story from which everyone in our BHF family should take immense pride. In the toughest of times we've protected our research funding, made amazing discoveries and been there to support the millions of people affected by heart and circulatory diseases.

It's hard to recall that, as we started our financial year last April, all of our shops stood closed during yet another lockdown. However, on the day of reopening, the dedication of our incredible team led to our biggest ever day of trading, generating more than £1m in sales. This commitment across our BHF team has characterised so much of our work over the last year, and it's meant we've been able to invest £72.3m in more lifesaving research.

Once again, I've stood in awe at the progress we've made. Our research, funded solely by the generosity of our supporters, has led to radical improvements in heart transplants for children, in the use of revolutionary artificial intelligence techniques to diagnose those at risk of heart attacks, and driven progress in our ambition to find a cure for heart failure.

These breakthroughs have one aim – to help all of those affected by heart and circulatory diseases in the UK and beyond. Yet, in many cases, it's these people that the pandemic has affected most profoundly. At a time when we've never been more needed, I'm proud of how we've spoken up for the care heart patients desperately need and been there to support the millions of visitors to our Coronavirus Hub.

Thanks to our volunteers, supporters, colleagues and researchers, the progress we've made this year means we enter the next with renewed ambition, despite the challenges we face. We stand at a turning point in human history, on the cusp of major breakthroughs. But these great leaps won't happen unless we are relentless in our pursuit of the science and inspire the support to fund it.

Now is the time to invest in the big, bold ambitions that hold the potential to transform countless lives. Just like the winner of our Big Beat Challenge, which seeks to develop revolutionary treatments to halt, reverse and ultimately prevent conditions that can kill young people in the prime of their lives.

None of this is possible without the support of so many people. Every person we support, every life we help save, every scientific advance we make is powered by our BHF family of BHF-funded researchers, volunteers, fundraisers, partners and colleagues. My heartfelt thanks go to all of you.

Finally, I would like to offer our warmest welcome to Wendy Becker as our next Chair of our Board of Trustees as she takes over from Dr Doug Gurr in October 2022. Doug's inspiring leadership has been instrumental in shaping our ambitions as the UK's leading heart charity and his dedication and advocacy have undoubtedly transformed the BHF's work.

I offer my heartfelt thanks to Doug and every single person who is helping us power our vital research to save and improve more lives.

Dr Charmaine Griffiths
Chief Executive

Our strategy to 2030...

In our 60th year, we celebrated the immense progress we've made since 1961, including helping to halve the number of people dying from heart and circulatory diseases in the UK each year.

Accelerating the pace of change

Our ambitions are clear. We want to see a world free from the fear of heart and circulatory diseases. Our strategy to 2030 is a commitment to achieve this vision, as well as a blueprint for achieving these goals. We are focused on:

- **Funding research to save and improve lives**
- **Working with patients and the public for better health and care**
- **Growing support and income**
- **Striving for excellence**

Our bold ambitions go beyond what we can achieve alone. That's why we're working towards game-changing, research-driven milestones, and inspiring support from others to change the future. With better diagnosis, treatment, prevention and care, we can prevent more people from developing heart and circulatory diseases and ensure that people with existing conditions and risk factors are identified and treated sooner. Despite the uncertainty that we continue to face, we remain steadfast in our determination to deliver our strategy to 2030.

The changes we want to see in the world by 2030

By 2030 we want the world to look different. We want to prevent heart and circulatory conditions from developing, and we want those with existing conditions to have better, longer lives.

Better survival and recovery from heart disease

- We want cures for inherited heart conditions to end sudden death.
- We want every child born with a heart condition to lead a long and healthy life.
- We want to stop heart attacks before they strike, helping thousands more people to survive.
- We want to cure heart failure.
- We want to prevent people having heart rhythm problems.
- We want to triple the number of people surviving a cardiac arrest.

New and better treatments for circulatory diseases

- We want to halve the number of people dying from or being disabled by a stroke.
- We want to find ways to prevent and treat vascular dementia.

Better prevention and management of risk factors

- We want better ways to identify people at risk and help them avoid disease.
- We want everyone to breathe clean air and to live in a smokefree UK.
- We want a world in which the healthy choice is the easy choice.
- We want everyone to know how to reduce their risk of heart and circulatory diseases.

Longer, better lives for everyone

- We want everyone's treatment to be personal to them.
- We want everyone to have access to the best available treatment and care.
- We want everyone to get the physical, psychological and social support they need.

These are bold ambitions, and we cannot achieve them alone. But we believe that by 2030, we will see unparalleled progress.

Our future focus...

To bring about the changes we want to see, we need a razor-sharp focus on the things that will make the biggest impact. So we're going to focus on...

Research

- Growing and diversifying the research community.
- Working with others to develop and deliver a strategic research agenda.
- Investing in world-class research across the spectrum of heart and circulatory diseases.
- Strengthening the implementation of research outcomes for patient benefit.
- Communicating the impact of the research we fund to inspire more support.

Patients

- Engaging more people with our patient information and support services.
- Tackling the major risks to heart health of high blood pressure, obesity and health workforce constraints through partnerships and influencing activities.
- Increasing the scale and diversity of patient and public involvement and meeting the needs of everyone affected by heart and circulatory diseases.
- Aligning all our community resuscitation activities to improve survival rates from out-of-hospital cardiac arrest.

Income

- Transforming the public's perception of the BHF to increase their consideration to support our work.
- Significantly enhancing the quality of customer experience across the whole of our customer base.
- Strengthening our engagement and relationships with philanthropists and corporate partners.
- Adapting our retail offer by growing our online presence.
- Evolving our retail volunteer offer to meet the needs of future volunteers.

People

- Improving equality, diversity and inclusion across the BHF's work to accelerate change for researchers, patients, the public and colleagues.
- Continuous learning from hybrid working to keep colleagues highly motivated and effective.
- Powering up the BHF's leadership, team management and performance capability.
- Strengthening our culture of cost management, lean principles and continuous improvement.

The British Heart Foundation has never been more needed. But we're poised and ready to meet this moment. As a BHF team, we have everything we need united behind a shared vision; we can inspire support, accelerate breakthroughs and save lives. We'll know we're on track to deliver our strategy to 2030 if by 2025...

Research

- The cardiovascular research community recovers and grows in the wake of the pandemic.
- We've enhanced knowledge of cardiovascular diseases, including coronary artery disease, heart failure, stroke and vascular dementia.
- More BHF-funded research discoveries are being translated into patient and public benefit.

Patients

- We've helped reduce people's risk of cardiovascular disease, particularly where it is highest.
- We've helped more people to manage cardiovascular conditions in a post-pandemic world.
- We've increased people's chances of surviving an out-of-hospital cardiac arrest.

Income

- More high-value donations are received to grow our fundraising income.
- Online retail income and commercial operations have increased.
- Our supporters have an outstanding experience of the BHF.

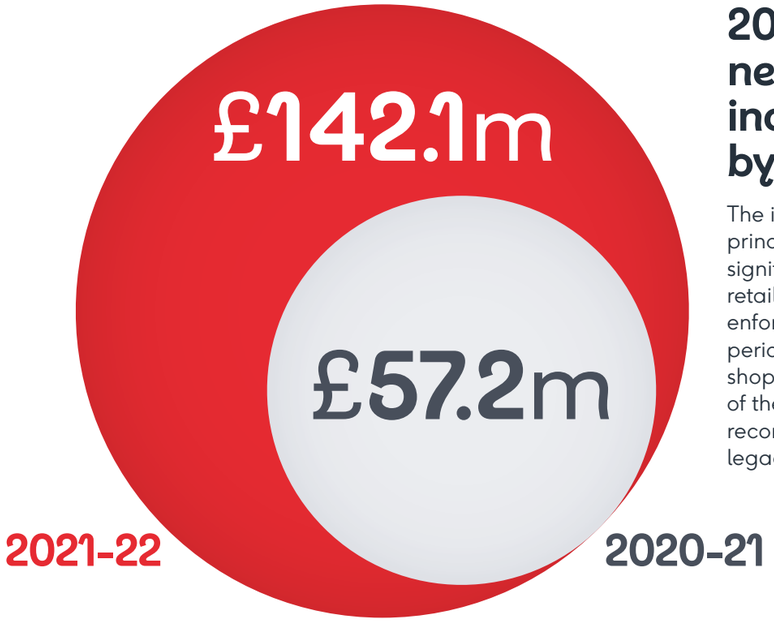
People

- We've created an outstanding people experience for Team BHF, engaged our colleagues and retained talented staff
- We've significantly improved our technology and systems to maximise the effectiveness of our work.
- We've become a more socially, environmentally and financially sustainable organisation.

Our work...

This has been a year of recovery with phenomenal results to be proud of. Our commitment to funding lifesaving research has grown thanks to significant income recovery from retail, fundraising and legacies.

Net income impact



2021-22 net income increased by 148%

The increase in net income principally reflected the significant bounce-back in retail trading, following the enforced closure through periods of lockdown of our shops and stores for much of the prior year and a record breaking year for legacy income.

£285.8m

Our financial reserves remain strong, supporting our research commitment, and represent a remarkable recovery following the significant disruption of Covid-19 to the BHF's operations and income in the prior year.

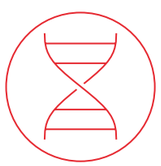
Our continuing commitment to research

The BHF is the biggest funder of non-commercial research into heart and circulatory diseases carried out in the UK, with over £410m of BHF-funded research underway. We're committed to honouring existing BHF-funded research and increasing our funding in new research projects to find new treatments and potential cures for heart and circulatory diseases.

Research in numbers

We are currently supporting:

306
Students



900
Research projects

480
Principal Investigators

Our impact...

From 3D printed models of hearts to beating heart plasters, we help turn science fiction into lifesaving treatments and potential cures.

Lucas

Lucas's parents knew their baby had a life-threatening heart defect before he was even born. But thanks to research and a team of dedicated healthcare professionals, Lucas is alive today.

Thanieth

Thanieth is alive because ground-breaking genetic testing made it possible to diagnose and treat her life-threatening inherited heart condition. Today, implanting a miniature defibrillator to keep Thanieth alive is no longer science fiction. We want to end sudden death by beating genetic conditions with the power of science.

Sarah

Without the option of a replacement heart valve, Sarah's hopes of a family and career would have been dealt a huge blow when she was still in her 20s. Many people born with Sarah's condition, tetralogy of Fallot, stay well for many years, but there are some who remain at risk of sudden death caused by unexpected heart rhythm disturbances (arrhythmia). The challenge is to identify which patients are most at risk so we can intervene before it's too late. We won't stop until we're able to give every person born with a congenital heart condition like Sarah, a long and healthy life.

Thalyta

Thalyta experienced spontaneous coronary artery dissection (SCAD), a rare condition more common in young women. As a result, her heart was badly damaged and she is now living with heart failure. Thalyta is being kept alive by an artificial heart pump called an LVAD (left ventricular assist device). Sadly, it's not possible to live with an LVAD forever and Thalyta's heart failure is so severe that if anything goes wrong with the LVAD, like the battery failing, she may not survive. To help save lives like Thalyta's we need to continue turning science fiction into reality.

Out of this world research

In our 60th year, we welcomed breakthroughs that showcase the limitless potential of our research, from a technique that's doubling the number of children able to receive a heart transplant, to the discovery of a new drug that could improve recovery from a heart attack.

Together, we are making the impossible possible, and if the last year is anything to go by – the sky is the limit.

Our focus in 2021-22

Continued to advance knowledge of heart and circulatory conditions, maintaining our position as the largest independent funder of cardiovascular research in the UK.

Injectable microspheres to repair failing hearts

From artificial intelligence (AI) technology that can predict heart attacks to a potential new drug for vascular dementia, we have continued to advance our understanding of heart and circulatory conditions.

Repairing damaged hearts with microspheres

Scientists we fund have achieved a significant breakthrough in the use of stem cells to repair damage in a failing heart. In the past, stem cells have not remained healthy in the heart for long enough to provide a sustained benefit.

Now, the team has grown stem cell derived heart cells on tiny microspheres – just a quarter of a millimetre wide. The cells attach to the microsphere, make connections with each other and beat just like the heart cells found in the heart. Researchers hope that, within the next 10 years, this technique will provide a viable therapy for people suffering with heart failure.

The importance of lowering blood pressure

Researchers found that lowering blood pressure is even more beneficial than previously thought.

Blood pressure lowering medication can prevent strokes, heart failure and heart attacks in adults with normal blood pressure, according to new research that we part-funded.

Looking at the data from over 300,000 people from 48 trials, researchers found that reducing your blood pressure by a small amount (5mmHg) can reduce your cardiovascular risk by 10% and your risk of death as a result by 5%, even if your blood pressure is healthy.

Energetic clues could help people with diabetes recover from heart attacks

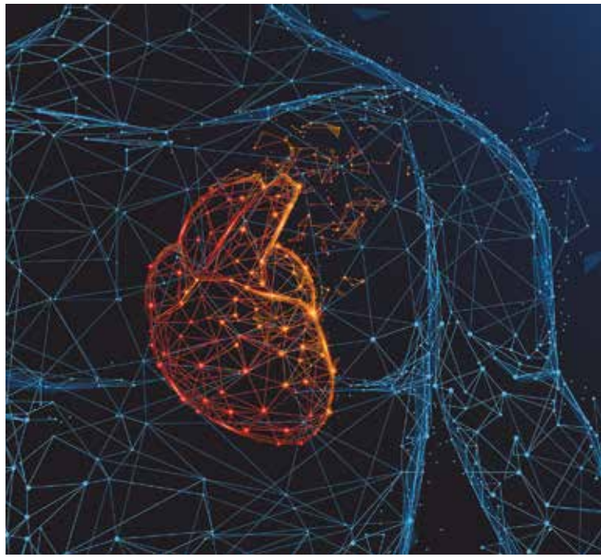
Researchers discovered that, during a heart attack, the hearts of rats with type 2 diabetes use up their energy supplies more quickly than those without the condition. This leaves their hearts with less energy – a strong predictor of worse outcomes after heart attacks.

The findings might help to explain why people with diabetes are more likely to develop heart failure after a heart attack. They also reveal potential targets for treatments that could reverse these effects and help people with diabetes to recover from heart attacks.

Hope for vascular dementia

A commonly prescribed medication could provide a treatment for vascular dementia. Researchers discovered that in mice, amlodipine, a medicine used to treat high blood pressure, could halt this devastating disease in its early stages.

The team also identified that high blood pressure decreases the activity of a protein (Kir2.1) that is present in cells lining the blood vessels and increases blood flow to active areas of the brain. Amlodipine was found to restore the activity of Kir2.1 and protect the brain from the harmful effects of high blood pressure. Researchers say that this protein could also be targeted by other drugs in future, creating the potential for new ways to treat vascular dementia.



AI tech to predict heart attacks

Using artificial intelligence to predict a heart attack may sound like science fiction, but technology we funded can do just that. CaRi-Heart® is the first technology to use routine heart scans to detect 'invisible' risk in people with possible heart disease.

This is important because each year in the UK over a million people go to hospital with chest pain. A coronary CT angiogram (CCTA) scan is one of the first-line tests someone will have when they attend A&E with chest pain, and they can help diagnose heart and circulatory conditions like angina. Around 75% of these scans do not show significant narrowing of the arteries, so many people are sent home without treatment. And yet some of them will go on to have a heart attack. Until now, there has been no way for doctors to detect all the underlying red flags that could cause a future heart attack.

CaRi-Heart® has attracted outside investment, enabling Professor Antoniades to set up a CT image analysis company, called Caristo Diagnostics, to make his findings widely available. CaRi-Heart®, developed by Caristo Diagnostics, has received its CE mark accreditation in 2021 and the technology is already available in 15 NHS trusts, including hospitals in Oxford, Leicester and London.

New heart transplant technique for children

Over the last 20 years, doctors have increased the number of organs available to children needing a transplant by using donor hearts with different blood types from theirs. However, this technique requires a lot of donor blood and so is limited to children under 4 years old.

We funded Dr Richard Issitt and colleagues at Great Ormond Street Hospital to develop a new technique that uses a blood filtering device to remove the mismatched antibodies in the blood that can lead to transplant rejection. The filter is added into the heart and lung machine used to support the child during surgery. By filtering out the specific antibodies, the child's blood doesn't need to be completely replaced. This new technique has the potential to double the number of children able to receive a heart transplant.

BHF fellow
Dr Richard Issitt

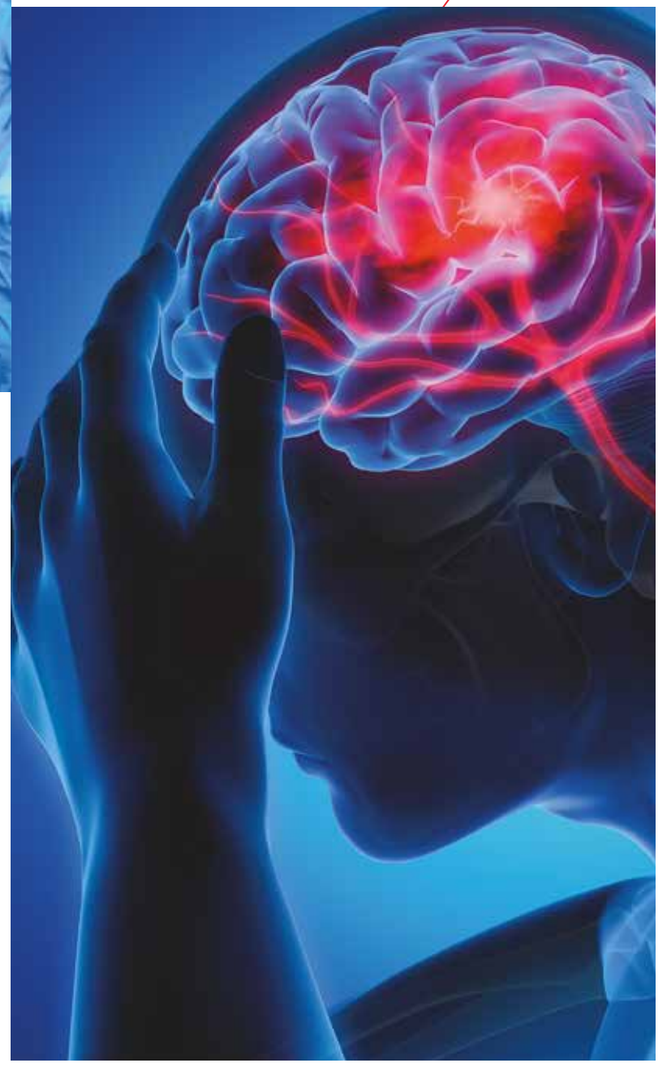
Record speed heart disease detection

A new artificial intelligence (AI) tool is now being used to detect heart disease in record speed and vastly improve care for heart patients.

The first-of-its-kind AI tool analyses heart MRI scans in just 20 seconds whilst the patient is in the scanner. This compares to the 13 minutes or more it would take for a doctor to manually analyse the images after the MRI scan has been performed. It also detects changes to the heart structure and function with 40% greater precision and extracts more information than a human can.

Innovations like this could help fast-track heart diagnoses and ease workload so that in future we can give more NHS heart disease patients the best possible care much sooner.

Every five minutes someone is admitted to a UK hospital due to a heart attack



Clot-busting drug for stroke

A stroke happens when the blood supply to the brain is cut off. The most common cause of this is a blood clot in one of the major arteries that supply the brain, meaning that the brain is starved of oxygen.

Researchers found a new clot-busting drug that could improve stroke treatment. The new drug, called caADAMTS13, was found to break down blood clots in mice that were not responding to existing medication.

Better protection during children's surgery

During open heart surgery, a fluid called cardioplegia is commonly used to stop the heart beating so that the surgeon can repair it safely. While this technique is safe, damage to the heart muscle may be caused when blood flow returns to the heart, which can affect a child's recovery.

We awarded £570,000 to a clinical trial that could improve the recovery of children who undergo lifesaving heart surgery. The study will compare two ways of protecting the hearts of children during surgery to repair congenital heart defects.

This study will compare the current type of cardioplegia with a new type called del Nido cardioplegia, which is commonly used in the US, in the hope of identifying which type leads to better patient outcomes.

Dr Natasha Stephenson, Clinical Research Fellow in Congenital Cardiovascular Imaging at the School of Biomedical Engineering & Imaging Sciences, King's College, London

The game of life

New BHF-funded research using virtual reality (VR) could improve outcomes for the thousands of patients who undergo a surgical or keyhole procedure for congenital heart disease every year.

Researchers hope that using VR to plan and practice procedures will shorten operating times and reduce the need for multiple surgeries. They hope that VR could be in regular use within two years.

Trials of an early version of the technology, which used only echocardiograms (ultrasound scans of the heart) to create the VR heart, found that surgeons preferred it for exploring the anatomy of their patient's hearts.

Our funding has supported the addition of computed tomography (CT) and magnetic resonance imaging (MRI) scans. While these scans are regularly used to help plan surgeries, they are usually only viewed on a flat screen.

Heart defects are the most common congenital anomaly in babies born in the UK. Every year thousands of heart operations and other procedures are performed for children and adults with congenital heart disease to stop them developing heart failure. Some people will need several procedures during their lifetime.

VR could improve congenital heart disease surgery outcomes. It could also support people to better understand the heart or blood vessel abnormalities they are born with, as well as the proposed treatment, which can be deeply empowering.

Our focus in 2021-22

Concluded the competition for the BHF's Big Beat Challenge, a £30m award to catalyse transformative research towards patient benefit.

The Big Beat Challenge

CureHeart: A multinational initiative to cure genetic heart muscle diseases

Big Beat Challenge, our competition for a £30m research grant to fund a programme that aims to solve a pressing problem in cardiovascular research and bring transformational benefits to patients, has concluded.

We requested full applications from four of the most promising of 75 preliminary proposals. These were assessed through rigorous expert review and applicant interviews by both our Patient & Public Panel and our International Advisory Panel (IAP). Ultimately, the IAP recommended CureHeart for funding.

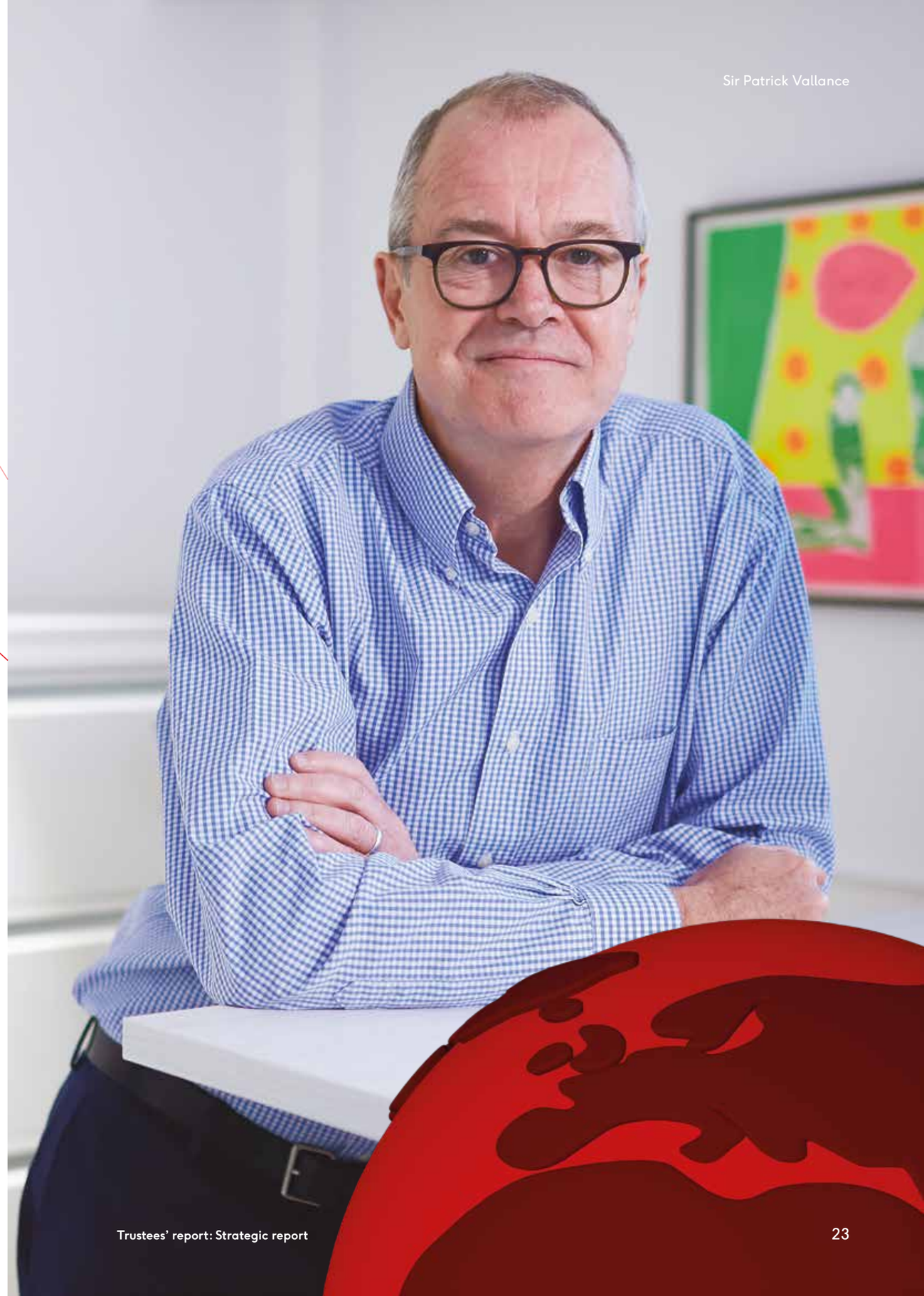
CureHeart is co-led by Professor Hugh Watkins (University of Oxford) and Dr Christine Seidman (Harvard University), world leaders in the genetics, mechanisms and clinical management of genetic heart muscle diseases, such as hypertrophic cardiomyopathy. The programme aims to develop revolutionary new treatments to halt, reverse or prevent conditions that are the biggest cause of sudden death and heart failure in young people. It engages other world leading researchers from the UK, USA and Singapore, who bring expertise in complementary fields such as gene editing, gene therapy vectors, nucleic acid therapies and muscle cell biology.

The award will be recognised in next year's report.

CureHeart

"The IAP had an incredibly tough task to narrow the field down to four finalists, and then to select a winner from those truly outstanding applications. CureHeart was selected in recognition of the boldness of its ambition, the scale of its potential benefit for patients with genetic heart muscle diseases and their families, and the excellence of the international team of participating researchers.

Sir Patrick Vallance
Chair of Big Beat Challenge International Advisory Panel, Govt. Chief Scientific Adviser



Sir Patrick Vallance

Dr Michela Noseda, National Heart and Lung Institute

Our focus in 2021-22

We used our partnership with other international cardiovascular research funders to coordinate multinational clinical trials to maximise public investment and patient benefit.

BHF-DZHK-DHF Joint Funding Scheme International funding alliance

In February 2021, the BHF launched its third annual funding call in partnership with the German Centre for Cardiovascular Research (DZHK) and the Dutch Heart Foundation (DHF) to support research into preventive, diagnostic and treatment approaches to cardiovascular disease. The scheme attracted 36 applications from multinational teams – up from 20 at the previous round.

The BHF-DZHK-DHF Joint Funding Scheme now supports eight outstanding projects, seven of which include UK-based investigators, receiving a total of around £5m from the BHF. With an overall annual budget of up to €5m (to which the BHF contributes £2m) the three funders have, to date, made joint awards approaching €14m.

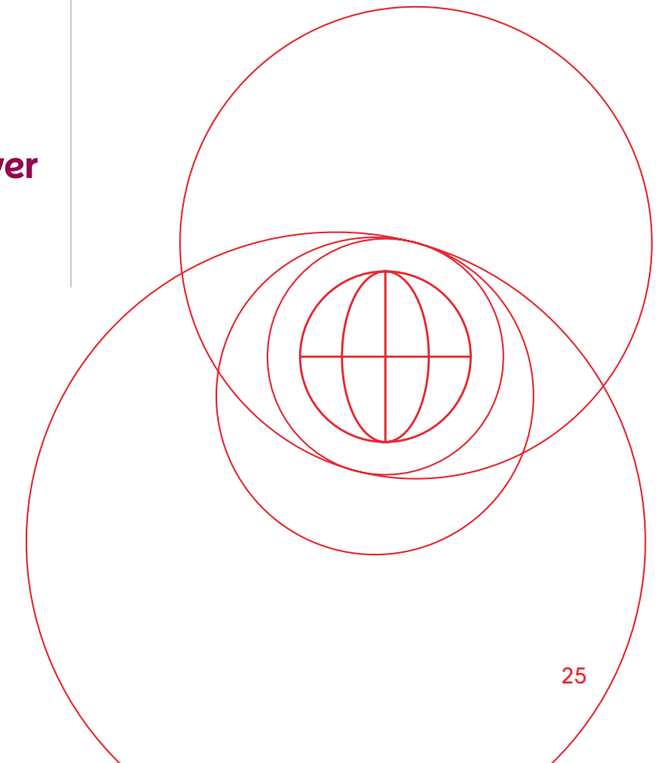
> **“The scheme facilitates collaborative research between scientists in partner countries to deliver impactful discoveries towards patient benefit.**
>
> **Professor Metin Avkiran**
> BHF Associate Medical Director

International cardiovascular research funders join forces on global clinical trials

Multinational clinical trials, involving patients in different countries, can help find answers to important questions more quickly. But multinational trials are often large and expensive, and challenging to fund. If researchers struggle to secure funding, the trial's success is jeopardised.

In 2021, a sub-group of the Global Cardiovascular Research Funders Forum (GCRFF), with the BHF as secretariat, launched the Multinational Clinical Trials Initiative, to facilitate ambitious clinical trials. Researchers submit a summary of their proposed trial to an Expert Advisory Panel (EAP). Trials considered to have merit receive endorsement from the panel, helping to put the trial in a more competitive position to secure international funding.

At the EAP's first meeting in November 2021, three proposals were endorsed. The BHF will continue to work with other funders in the initiative to evaluate how this process impacts research teams seeking funding. We hope that over time, large multinational trials, and their vital results, can be delivered faster and benefit patients sooner.



Our focus in 2021-22

Increased resources and used new ways to analyse the outcomes and benefits of the research we fund and develop a series of compelling narratives that inform our supporters, the public and policy-makers of the impact arising from our research.

Sven Plein, BHF Professor of Cardiology Imaging at the University of Leeds

It's critical that we measure the impact of our research investments. This includes discoveries like new biological pathways that can be targets for future drug development, support of clinical trials to improve care and management, and the maintenance of a thriving research network.

Our research impact

We have a duty to share the impact of our supporters' donations. That's why we are developing a series of thematic reviews, working with leaders in their respective fields to articulate the impact arising from long-term BHF support. We will share these reviews with supporters, patients, policymakers, researchers and the public to demonstrate the value and broad impact of the research we fund, thanks to generous donations from the public.

In April 2022, we were proud to share our first report: *A Deeper Look At The Heart: Impact of BHF Support For Cardiovascular MRI Research.*

Cardiovascular MRI is an imaging technique that provides highly detailed assessment of the structure and function of the heart and blood vessels. Over the past 40 years, cardiovascular MRI has become a mainstream diagnostic test for a range of heart and circulatory diseases. The BHF has supported research into cardiovascular MRI since the 1980s and has funded more than 250 research grants at a total value of over £100m. Our report highlights how BHF support has contributed to developing new technology, generating new knowledge, building NHS capacity, influencing clinical practice and improving patients' lives. Sven Plein, BHF Professor of Cardiology Imaging at the University of Leeds, says:

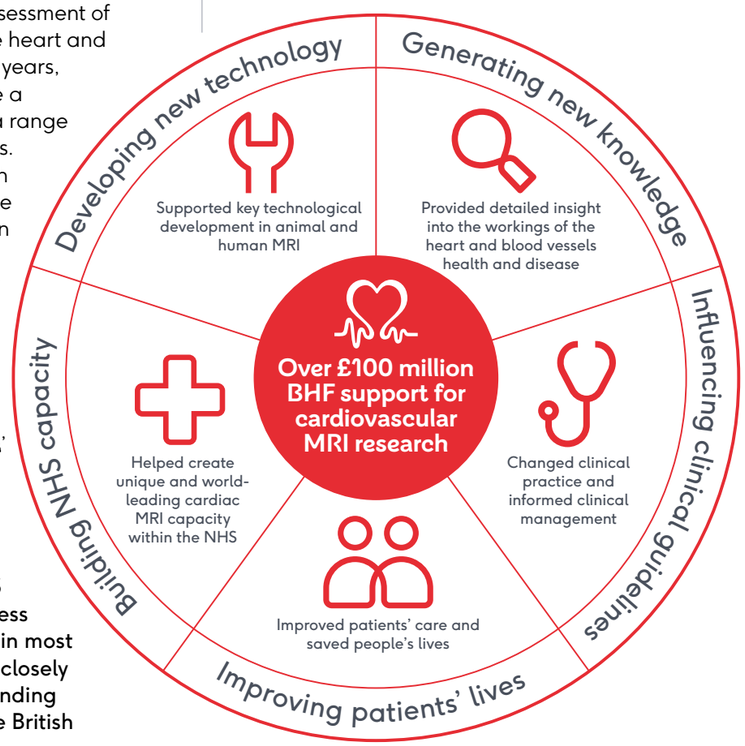
"The UK is world-leading in cardiac MRI research and NHS patients have much easier access to MRI facilities in the UK than in most other countries. This success is closely related to the long-standing funding for MRI-related research by the British Heart Foundation."

Live & Ticking

Our Live & Ticking online monthly events have been going global. With over 20,000 views we're reaching audiences right across the world.

These events combine a research presentation from a BHF-funded scientist alongside a BHF supporter telling their personal story. Coupled with a live Q&A, this has been a popular format since the start of the pandemic.

Our recorded events are shared on our YouTube channel to rewatch and we're helping people understand their conditions and how we're making scientific advances with their support.



Philip Yea

Philip Yea appointed as our second Distinguished Fellow

We have appointed our former Chairman, Mr Philip Yea, as a Distinguished Fellow in recognition of his immense contribution to our lifesaving work.

The role of Distinguished Fellow is a lifetime appointment which celebrates those who have made an exceptional contribution to the BHF.

Mr Yea joined our Board of Trustees in 2008 and became Chair of the Board in March 2009. During his Chairmanship, Mr Yea oversaw significant growth of the charity's income and world-leading research programme. He also served as Chair of the Nominations Committee and was a member of the Remuneration Committee and the Fundraising Board.

Mr Yea said: "It is an honour to be given the title of Distinguished Fellow by the British Heart Foundation. I've been lucky enough to see the benefit of BHF's lifesaving work first-hand and have been continually inspired by the dedication shown by the charity's staff, volunteers and supporters that makes this possible."

Our focus in 2021-22

Continued to support a positive research culture and promote a fair and open research ecosystem by implementing the principles of the San Francisco Declaration on Research Assessment (DORA).

For good science to thrive, you also need a healthy research culture – one that is transparent, inclusive, and supports researchers to carry out high quality research.

With this in mind, on 26 April 2021 we signed the San Francisco Declaration on Research Assessment (DORA). By becoming a signatory, we have committed to the DORA principles: transparency in how applications and grants are assessed, responsible use of bibliometrics, and an appreciation of the value of all research outputs.

As a research charity that relies on public donations, we have a responsibility to invest in the most promising research and support the most talented researchers. Signing up to the DORA principles helps us foster a positive research culture that benefits everyone.

Gold medallist

Professor Sir Nilesh Samani, our Medical Director, has been awarded the prestigious European Society of Cardiology Gold Medal in recognition of his contribution to cardiovascular medicine. The Gold Medal, the Society's highest honour, was presented at the European Society of Cardiology's annual Congress in August 2021. Professor Samani's work has been instrumental in identifying over 150 genes associated with coronary heart disease. The important findings from his research are being used to understand more about the causes of heart and circulatory conditions, to develop new treatments, and to help identify people at risk to help prevent or slow their conditions.

BHF-funded researcher Dr Koralia Paschalaki, Imperial College London

Professor Barbara Casadei, University of Oxford and BHF Professor

Launching the next generation

We're proud to support a thriving research community, while also fostering future talent.

We currently support over 1,200 researchers across the UK. These brilliant individuals make the breakthroughs that could transform lives affected by cardiovascular disease. Among them are over 750 early-career investigators, including non-clinical PhD students, clinical PhD students, and research fellows.

The research training studentships and fellowships we provide are a key part of the BHF's prominent contribution to the UK cardiovascular research effort. These schemes attract gifted individuals to cardiovascular research and nurture their development.

There are many outstanding examples from our own cadre of BHF Professors, such as Professor David Newby (University of Edinburgh) and Professor Ajay Shah (King's College London), who lead their teams at their respective BHF Centres of Research Excellence. They are internationally recognised research leaders in inherited heart muscle diseases and heart failure respectively, whose early research efforts were funded through BHF awards.

Professor Barbara Casadei (University of Oxford), an international research leader investigating common cardiovascular diseases including atrial fibrillation (a major risk factor for stroke) and current President of the European Society of Cardiology, was funded by a BHF fellowship before being appointed as a BHF Professor.

Further afield, BHF alumni now hold senior research leadership positions in universities and hospitals worldwide, including Professor Alan Daugherty, University of Kentucky, USA; Professor Stuart Cook, Duke-NUS Medical School, Singapore; Lucy Norcliffe-Kaufmann, Principal Scientist, 23 & Me, New York; Professor Ruth Loos, Vice Executive Director and Group Leader, Novo Nordisk Foundation Center for Basic Metabolic Research, University of Copenhagen; and Professor Salim Yusuf, McMaster University, Canada.

With thanks to the generous donors supporting 2021 cohorts of students:

Mr Richard Burns
University of Edinburgh

Dr Jonathan and Mrs Georgina de Pass
University of Bristol

Dr Robert Easton and Mr Andrew Spokes
University of Oxford

Promoting information and support for heart and circulatory disease patients

Protecting our stellar support services

It's been another extremely tough year for people with heart and circulatory diseases. More than 13 million visitors turned to our Covid-19 Hub for support this year, and our Heart Helpline remains a lifeline for thousands of patients and their families.

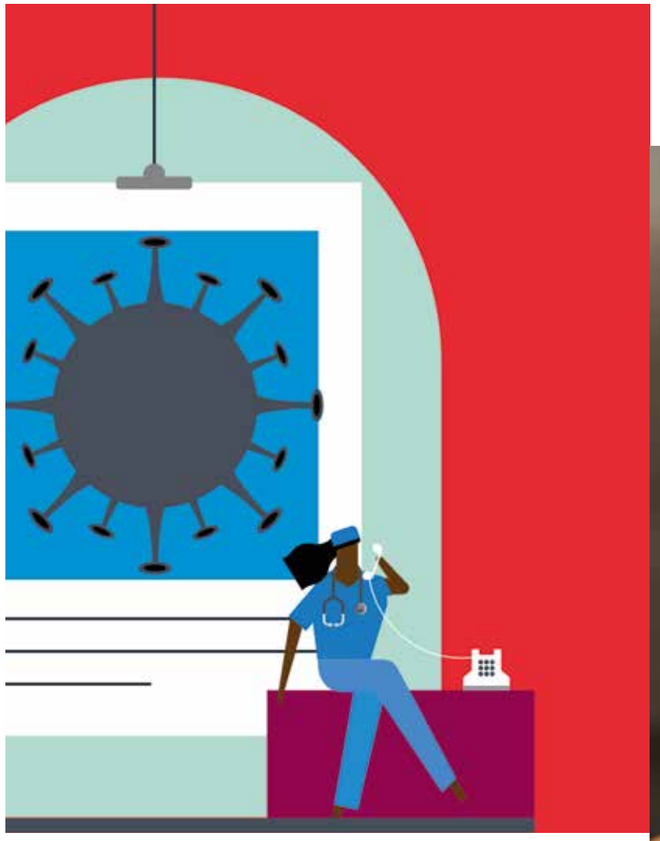
Due to the pandemic's devastating impact on the NHS, many people still face unprecedented delays in diagnosis, treatment and care across the UK's four nations. The situation is stark, but we will not stop until people get the support they need.

Our focus in 2021-22

Used data, insights, and feedback to ensure we are effectively supporting the people who need us.

Our Health Intelligence team is using national datasets and qualitative feedback to map cardiovascular health disparities

Health inequalities, dramatically illustrated by the pandemic, are a critical priority for the BHF and the NHS. Previously, health inequalities have been examined in the context of specific conditions or treatments, not examined across the entire cardiovascular (CVD) pathway. While there are numerous studies on different aspects of health inequalities, the BHF is bringing together data to examine differences in prevention, treatment and outcomes by levels of deprivation in England. We will build on this to include analysis of inequalities in Scotland, Wales and Northern Ireland, where corresponding data are available. We plan to build this into an interactive, data-focussed public resource available on our website.

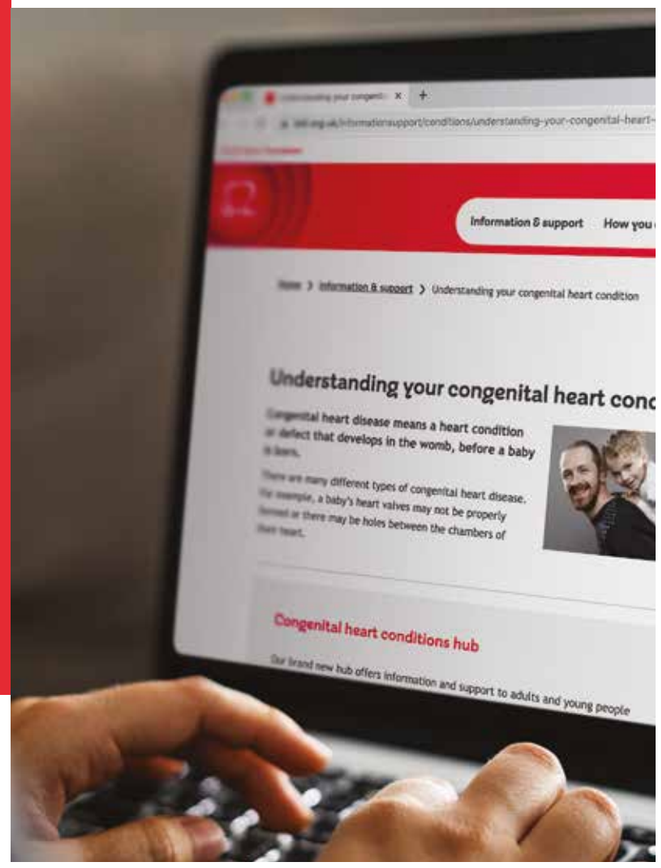


Coronavirus Hub

Our Coronavirus Hub continued to be a lifeline for people. Our aim was always to go beyond information that was already in the daily news cycle, and to interrogate and interpret content through the lens of someone with a heart and circulatory condition, so that we're always answering the question – 'What does it mean for me?'

The needs of our audience have constantly evolved during the pandemic, through lockdowns, vaccines, boosters, the release of research findings and government announcements. We learned to respond to changes in real time, providing constant updates from our experts.

By 31 March 2022 the hub had received 18m page views. Surveys of our hub users are overwhelmingly positive, with the vast majority (around three quarters) of respondents saying that the content makes it easier to manage their health and that they found the information they were looking for.



Online hub for people with congenital heart conditions

We've launched a new insight-led online hub to support people living with congenital heart conditions. The purpose of the hub is to empower people with congenital heart disease to know how they'll manage their condition. The content covers support and lifestyle, such as the best questions to ask your doctor, the levels of exercise you can aim for, information about what alcohol can do to your heart and about pregnancy with congenital conditions. We're adding more content for the parental audience who have children with heart conditions, as well as more about the specific conditions.

Our focus in 2021-22

Highlighting health inequalities.

Tackling health inequalities

We know that cardiovascular disease and its risk factors are a major cause of health inequalities across the UK, fuelling unacceptable disparities in life expectancy. To give just one example, there is a nine-year life expectancy gap between people living in the most and least deprived areas in England. Cardiovascular disease is the largest contributor to that gap and reduces the life expectancy of people living in the most deprived areas by nearly two years. We created a Health Inequalities Working Group to deepen our understanding of health inequalities, so that we can take considered action to close the cardiovascular health gap.

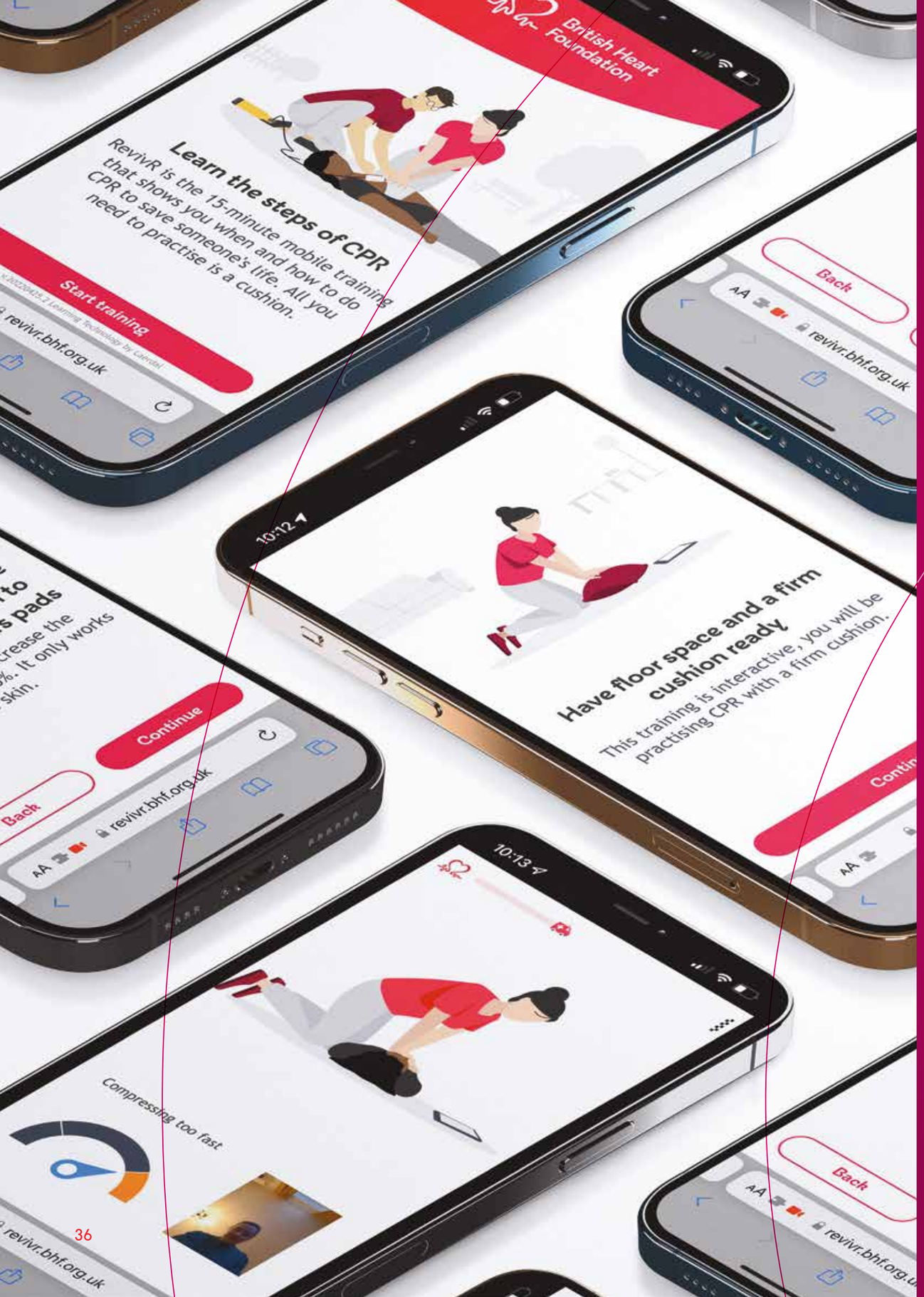
Heart Failure: A Blueprint for Change

Disjointed and unequal care and support, likely exacerbated by the pandemic, is increasing the burden of heart failure. For the 920,000 people living with heart failure in the UK and the 200,000 diagnosed each year, we can do better. Our report *Heart Failure: A Blueprint for Change* sets out the care and support that people need to live well with heart failure for longer.

There are four key areas that hold the potential to transform services and improve outcomes and experiences for people living with heart failure.

- Reframing heart failure as a long-term condition.
- Focusing on people, not structures.
- Driving change with data.
- Leading across the pathway for heart failure.

By diagnosing people with heart failure early, getting them the specialist care they need and joining up services, it is possible to cut emergency admissions, improve quality of life and give people the opportunity to live well for longer.



Our focus in 2021-22

Continued working with Laerdal to offer CPR training to millions across the UK, to help improve survival rates from out-of-hospital cardiac arrests.

RevivR™ has lift off

Our new interactive CPR online tool makes essential lifesaving skills available to everyone, everywhere.

Every year more than 30,000 people in the UK have an out-of-hospital cardiac arrest (OHCA). Sadly, less than 1 in 10 people survive.

We know that CPR and defibrillation can more than double the chances of survival, and bystanders who have the confidence to help can make all the difference - but since social distancing was introduced, most of us have been unable to learn or refresh our CPR skills.

To address this, we have been working with our development partner Laerdal, to create a new digital CPR online tool – RevivR™. This innovative tool will help people to learn lifesaving CPR and how to use a defibrillator. It's free to use, and takes just 15 minutes. All you need is a mobile phone or tablet, some floor space and a firm cushion to practise on.

Many of us will witness a cardiac arrest in our lifetime. With RevivR™, you'll be ready for that day and able to step in and save a life.

Our focus in 2021-22

Our work on The Circuit: the national defibrillator network and Nation of Lifesavers gathered pace to help improve cardiac arrest survival rates.

Lifesaving defibrillators are all around us. But medics and bystanders don't always know where to look. The Circuit is showing the way.

There are more than 30,000 out-of-hospital cardiac arrests every year in the UK, but less than 1 in 10 people survive. This is partly because public-access defibrillators are used in less than 1 in 10 of out-of-hospital cardiac arrests, with ambulance services often unaware of their locations.

To help save more lives, the BHF is working with Resuscitation Council UK, St John Ambulance and the Association of Ambulance Chief Executives to urge people to register their defibrillators on a pioneering database. The Circuit: the national defibrillator network is a register of lifesaving devices in offices, shopping centres and a host of other locations.

The Circuit synchronises every 60 seconds with the live dispatch system in the ambulance services allowing them to direct bystanders to the nearest defibrillator in an emergency.

The Circuit could help to save many lives, but only if defibrillator guardians register their defibrillator. Without their help, tens of thousands of defibrillators will remain invisible to the ambulance services.

To find out more visit:

www.thecircuit.uk

BHF helps equip 500 Virgin Media engineers with mobile defibrillators

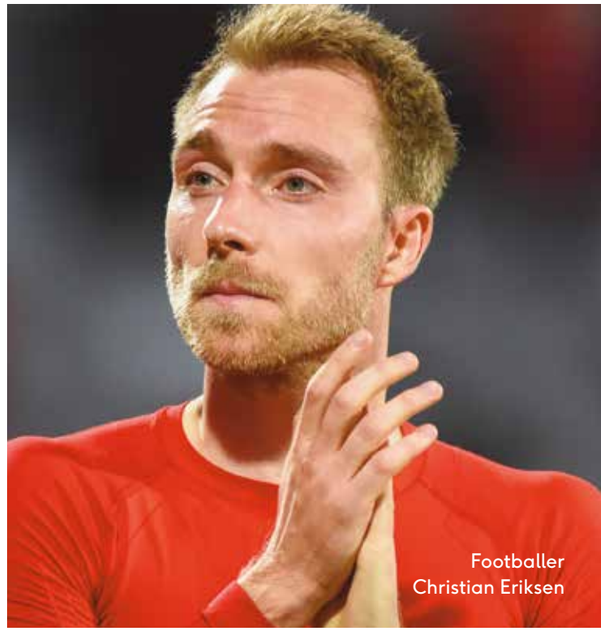
Virgin Media completed one of the UK's largest mobile defibrillator roll outs, through its lifesaving initiative with the British Heart Foundation. More than 500 front-line Virgin Media staff received CPR and defibrillator training from the British Heart Foundation, alongside portable defibrillators for their company vehicles.

Since the project began, several Virgin Media employees have jumped into action and put their skills into practice. Just months after completing his training, field technician Morgan Sherlock resuscitated a man who had suffered a cardiac arrest at the roadside. Morgan used his mobile defibrillator to administer shocks while they waited for an ambulance to arrive. Morgan's quick action, and the mobile defibrillator he was carrying, helped to save the man's life.

Tesco becomes the UK's first supermarket to join The Circuit

Our long-term partner Tesco has already registered over 2,000 defibrillators onto The Circuit and is in the process of adding even more so that every Tesco store in the UK has one. This will put thousands of additional defibrillators within reach of lifesavers.

The BHF is the **biggest independent funder** of cardiovascular research in the UK



Footballer Christian Eriksen

Encouraging CPR adoption after Christian Eriksen's collapse

'The ad we never expected to make': created in just 24 hours, after the extraordinary moment when Danish footballer Christian Eriksen suffered a cardiac arrest at Euro 2020. The purpose of the advert was to emphasise the critical importance of learning CPR to save lives. The ad and related activities helped 140,000 people learn CPR, increased weekly donations by 17% and tripled our sales of defibrillators.

Our focus in 2021-22

Expanded our peer support offer geographically, and across different age groups, to extend our ability to support people.

Uniting people with a shared mission

> **The only wish I have is to be fixed and get on with my life.**
>
> **Alex Martin**
> Heart patient

Around 1.5 million people in the UK have been diagnosed with atrial fibrillation

Over the past year we held 14 peer support events online with a total of 121 attendees. These peer support events helped people feel connected to the BHF and each other, with 98% of attendees reporting reduced feelings of isolation.

Some of these events included inspirational talks and Q&As with our celebrity ambassadors, including Will Njobvu (TV and radio presenter), Fraser Franks (former professional footballer) and James Eder (founder of Student Beans).

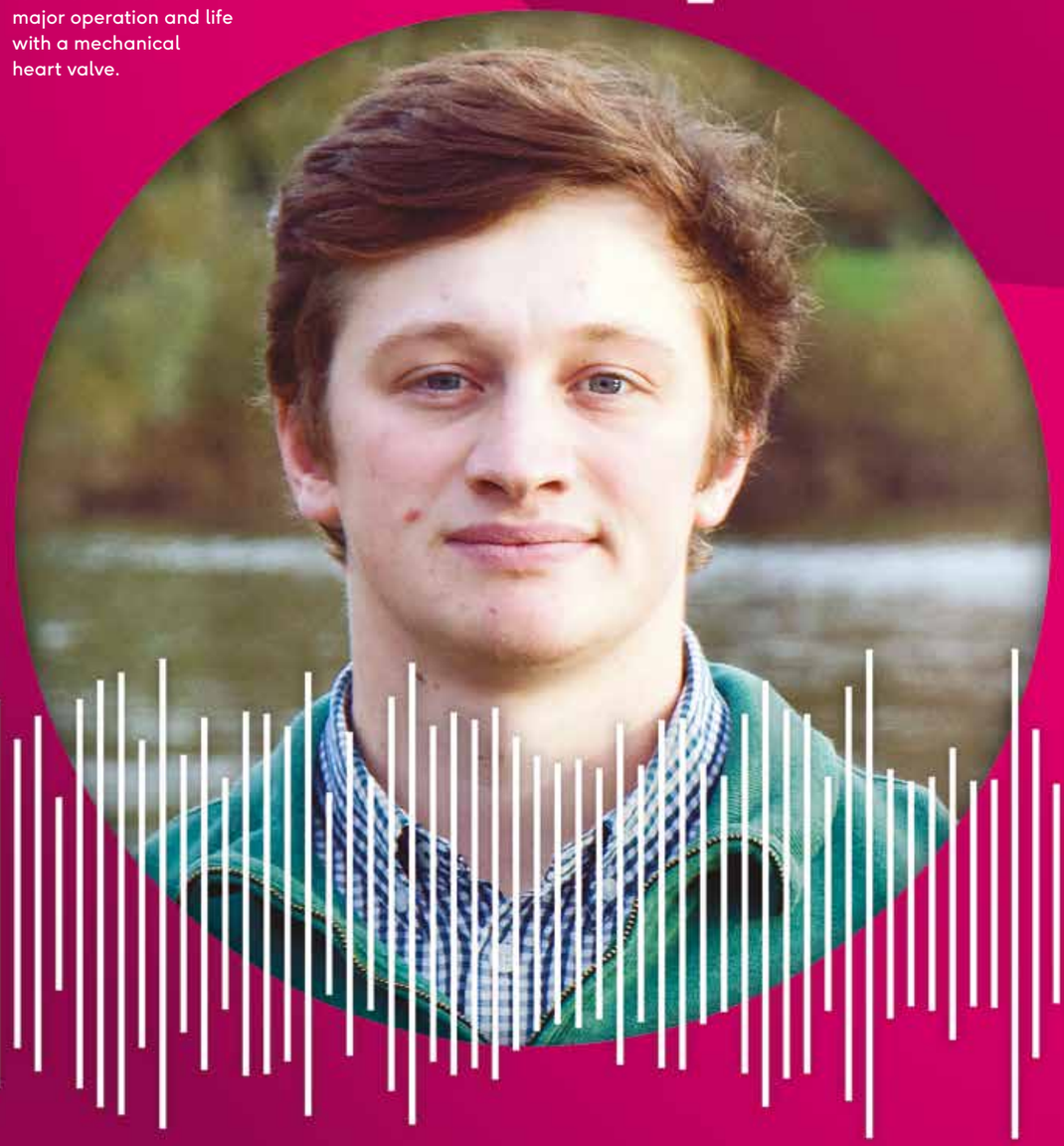
We also hosted a peer support event for the parents of teenagers living with a heart condition. And we launched our monthly 'Heart Talk' events for One Beat members (18–30 year olds living with a heart condition). Every month, One Beat members come together to share their experiences of growing up and living with a heart condition. It's a chance to ask questions, provide support to each other and talk openly in a safe space.

The Ticker Tapes roll on...

We relaunched The Ticker Tapes podcast in April to share stories of heart and circulatory disease patients, their experiences and how they and their families deal with their diagnosis.

The Ticker Tapes

Alex Martin's hope of joining the army was dashed after a shock diagnosis. In his interview, Alex talks about the physical challenges and emotional strain as he recovers from a major operation and life with a mechanical heart valve.



Our focus in 2021-22

Continued developing an influential voice with senior decision-makers in the Government so that we can raise the profile of our vital mission.

When patients can't wait

Hundreds of thousands of people are anxiously waiting for lifesaving heart treatment and care in this country. Without sufficient investment in the NHS recovery across the whole pathway and support for the workforce. We are predicting that the number of people waiting for cardiac care will continue to rise for some time.

Long waits are emotionally distressing and increase the risk of someone becoming more unwell or even dying while they wait for care. You can read more about this in our report Untold Heartbreak.

As part of our campaign, more than 3,000 supporters wrote to their MPs, urging them to visit us at their conferences. Their efforts helped us speak to 135 MPs, including the Health and Social Care Secretary Sajid Javid MP and David Rutley MP about this urgent issue.

"Each month we see waiting lists for time-critical heart care in England reach record levels, with no signs of slowing. With even lifesaving emergency heart attack care severely disrupted and soaring levels of staff sickness, this tidal wave of pressure on the NHS is costing lives. We urgently need to see a funded and specific plan to deal with the vast and mounting backlog of cardiovascular care.

Dr Sonya Babu-Narayan
BHF Associate medical director and consultant cardiologist

50%

Half of heart attacks and strokes are associated with high blood pressure in the UK

Closing the heart attack gender gap

Women face disadvantages and inequality at every stage of their heart disease journey.

Even though coronary heart disease kills twice as many women as breast cancer in the UK, it is often seen as a condition that only affects men.

This false assumption is costing women their lives.

BHF-funded research suggests that the deaths of at least 8,243 women could have been prevented through equitable cardiac treatment over a ten-year period in England and Wales.

Both UK and Scottish Governments have committed to clinical plans to address health inequalities across the life course faced by women in Scotland and England.

There are an estimated 100,000 women living with heart disease in Wales. Because of our work there is now a commitment from Welsh Government to deliver a Women's Health Quality Statement which addresses inequalities experienced by women with heart disease.

Working with Welsh Government we will ensure that the quality statement seeks to improve outcomes for women with heart disease through improved public awareness, timely diagnosis, equitable treatment and equitable access to cardiac rehabilitation.

Dáithí MacGabhann and his dad Máirtín

Northern Ireland welcomes organ opt-out scheme

We celebrated a historic moment with the passing of organ donation legislation in Northern Ireland.

The change means that everyone in the UK will be presumed to consent to organ donation unless they opt-out. Families will continue to be consulted, which is why it is referred to as a 'soft' opt-out system. Northern Ireland's campaigning success comes after Wales changed its organ donation system in 2015 to soft opt-out, followed by England and Scotland who made the change in 2020 and 2021 respectively. A fantastic campaigning victory for the BHF.

It is a particularly special moment for the BHF as the new law will be named Dáithí's Law, after five-year-old Dáithí MacGabhann who is waiting on the gift of a new heart. Dáithí and his parents are BHF NI Ambassadors and have worked tirelessly to change the law.

Nation of Lifesavers

This year we hit a major milestone in our bid to create a Nation of Lifesavers as CPR training and defibrillator awareness becomes a compulsory part of the school curriculum in Northern Ireland. The move came after many years of campaigning by BHF NI and others. Now pupils all over the UK can learn skills to save a life, helping to improve out-of-hospital cardiac arrest survival rates.

Helping shape Scotland's heart disease treatment and care

The Scottish Government's new Heart Disease Action Plan includes many BHF recommendations, but is backed by just £2.2m in funding. BHF Scotland believes the Scottish Government must increase investment to fully deliver this plan.

Heart disease remains a major cause of death and disability in Scotland, accounting for around 10,000 deaths each year. Although there have been improvements in survival from heart attacks and other acute events over the last half century, significant challenges remain.

BHF Scotland are involved in the steering group for the implementation of the Heart Disease Action Plan and within the first year have been key contributors to the establishment of a lived experience advisory network, as well as a new cardiac data audit that will support the improvement of heart disease services across Scotland.

BHF Scotland continues to campaign for increased investment to ensure equitable heart treatment and care for the people of Scotland.

Our focus in 2021-22

Continued working with external partners to improve post-mortem genetic testing for sudden, unexpected deaths (SUDs) so that family members can make informed choices about their health.

Professor Elijah Behr, St. George's, University of London

Easing the trauma of sudden unexpected deaths (SUDs)

When someone dies unexpectedly, their family is often put through a challenging process involving multiple interactions with coroners, counsellors, doctors, pathologists and the police, all while navigating their grief.

BHF-funded Professor Elijah Behr at St George's, University of London is leading a pilot project that aims to provide better support for bereaved families. This study involves a new partnership between coroners, NHS specialists and other charities including CRY (Cardiac Risk in the Young) to understand the challenges families face and the support they need. The pilot study started in January 2022, and will run for two years across England. Once the processes are successfully developed, they will be rolled out to the rest of the country.

Professor Behr is also researching the genetic causes of SADS (sudden arrhythmic death syndrome), specifically focusing on family studies to identify faulty or mutated genes that cause an inherited heart condition. These studies could identify other family members at risk from SADS.

Managing income to drive long-term financial stability

Full speed fundraising

Following months of closures and last-minute cancellations, we were thrilled to reopen the doors to our charity shops and relaunch some of our biggest fundraising events.

Thanks to the phenomenal efforts of our staff, volunteers, and our supporters – our financial position is positive. As we focus on the future and our epic goals, it's time to accelerate fundraising in a bid to save even more lives.

Our focus in 2021-22

Recovered and grew our fundraising income by 're-booting' our brand, to help us innovate with urgency.

Making our work matter more, to more people

We need to make a bigger impact, heart and circulatory diseases are one the world's biggest killers yet too few people know about our organisation or our ambitious goals.

The British Heart Foundation and the research we fund is on the frontline of creating a world free from the fear of heart and circulatory diseases. Covid has shone a light on the power of science to save lives, and that's why as we look to recover and grow our income post-Covid, we 're-booted' our brand in December 2021. We need to present ourselves in a more single-minded way that clearly demonstrates who we are and what we do. In doing so, make the British Heart Foundation matter more, to more people inspiring more people to donate time, money or stock to fund lifesaving science.

Our marketing and communications are shifting to focus on the awe-inspiring research that we fund, because these stories demonstrate the power of science to find new cures at the frontier of our knowledge. As part of our This is Science campaign to accompany our re-boot, we celebrate the people who are alive today because of medical advances uncovered by BHF-funded research. This includes people who have benefited from 3D printed hearts being used to guide surgery, miniature balloons being used to open the blocked arteries that cause heart attacks, and AI enabled heart scans that can predict heart attacks. The BHF, quite literally, through its research funding helps turn science fiction into reality.

> **"We are focusing our marketing and communications behind the awe-inspiring research of the BHF, to leave the public in no doubt their support fuels this boundary pushing research, because we know that we can outsmart heart disease through the power of science.**
>
> **Claire Sadler**
> Chief Marketing and Fundraising Officer

Our focus in 2021-22

Celebrated our 60th anniversary to inspire support, including through stories that bring our history to life.

Celebrating 60 years of lifesaving research, thanks to your support. Your donations, time and tireless fundraising have brought us a long way since 1961.

Today, more than 7 out of 10 people survive a heart attack in the UK. Heart transplants, pacemakers, clot-busting drugs and statins are just a few examples of the countless advances propelled by our world-class medical research. The BHF funds over half of all non-commercial research into heart and circulatory diseases carried out in the UK.

But we've still got so much to do.

Research into heart and circulatory diseases is underfunded compared to many other conditions.

Millions of people across the UK are living with the daily burden of heart and circulatory diseases – diseases that cause a quarter of all UK deaths.

We need to close the gap in funding. We need to recover our income. We need to do more for the millions of people living with life-limiting conditions.

Our challenges are only matched by our ambition. We know, with your support, we will power the science that saves lives.

Fundraisers from Stonegate presenting a cheque at our Ely shop

Tour de Research cyclists

Out of the lab, into the Lycra

Scottish researchers got on their bikes to raise money for our 60th birthday. The scientists – many of whom are funded by the BHF in universities across Scotland – signed up to take part in the #TourdeResearch. Inspired by our milestone birthday, some committed to cycle 60 miles on the date of the anniversary, while others took on a longer challenge, covering 600 miles throughout July 2021. Together, they raised an astonishing £20,000.

The #TourdeResearch challenge was the idea of BHF Trustee Professor Jill Pell, Director of the Institute of Health and Wellbeing and Professor of Public Health at the University of Glasgow.

Partners accelerate 60th celebrations

The British Heart Foundation was thrilled to partner with the Stonegate Group during our 60th year. Their staff fundraising was the highlight of the partnership, with intrepid employees taking on wild challenges involving running, cycling, mountain-climbing, head-shaving, quiz-hosting, and paddle boarding, all to support us. In December, Stonegate did a national Santa Dash, with 171 runners covering a total of 855km. Stonegate employees raised an incredible £317,000 from May to December 2021 to fund essential and lifesaving research into heart and circulatory conditions.

Other dauntless partners who took bold leaps to help us recover our income included:

- musicMagpie raised £60,000 for the BHF 60th anniversary.
- F. Hinds and Chapelle supported our 60th anniversary and Heart Month 2022, raising £34,000.
- Through donations via the PayPal Giving Fund we raised £168,000 to support our 60th anniversary and Heart Month 2022.

Our focus in 2021-22

Recovered our income through our retail and fundraising efforts, doing 'fewer things better for bigger impacts'.

Understood the opportunities to maximise our impact through new and enhanced strategic partnership working.

From 3D printed models of hearts to beating heart plasters we're proud to see BHF-funded research turn mind-blowing ideas into real-world treatments. All these successes are the result of the combined contribution made by our donors, fundraisers, partners and volunteers. Working together, we power the science that saves lives.

Will power delivers record legacies

During our 60th year we received an astonishing £102.6m in legacy income.

There are multiple reasons for this record sum, including a government push to clear a backlog of probate cases, and rising property prices. As always, we've had excellent collaboration from executors who have worked with us to maximise the gifts from generous supporters.

To receive any legacy is truly humbling and a testament to a supporter's generosity and their belief in our ability to change lives. We remember with much gratitude the people who have left us a gift in such a profound way, and thank those who have helped us realise the potential of such generosity.

Inspiring a healthier nation, one heartbeat at a time

We were delighted to announce a new partnership with PureGym, the UK's leading gym chain, in 2022. This three-year partnership aims to raise £5m to fund essential and lifesaving research into heart and circulatory conditions.

Together we aim to inspire a healthier nation with initiatives focused on preventing, treating and managing heart and circulatory conditions including:

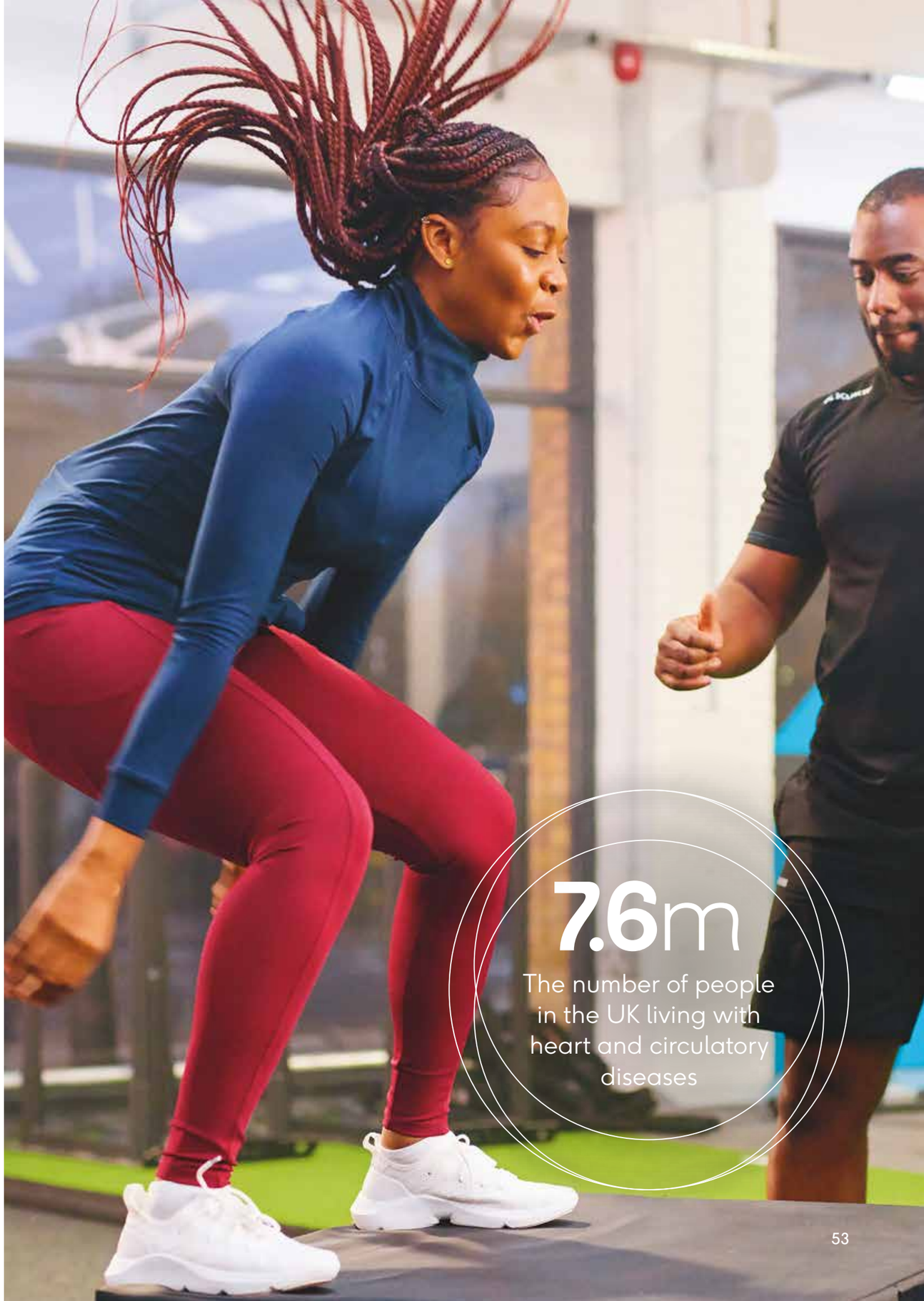
- Healthy Hearts Programme to provide free access to information and support through the award-winning PureGym app.
- Survival programme to give thousands more people lifesaving CPR skills and register hundreds more defibrillators on The Circuit.
- Cardiac rehabilitation programme to give PureGym personal trainers cardiac rehabilitation skills so they can help people recover from heart trauma.

Our partnership is underlined by a shared commitment to accessibility. Each programme will be available for everyone, in PureGym venues across the country, online and through the PureGym app.

Partnerships accelerating progress

Corporate partners play a huge role in helping us power the science that saves lives. Over the last year we've also received impactful support from the following organisations:

- Croda Foundation made a £25,000 grant to our Patients First programme.
- BAM Construct Ltd have raised £70,000 in the first year of our partnership.
- Travelodge's colleagues and customers continued to support our lifesaving research in 2021, raising £117,000.
- Our incredible three-and-a-half-year partnership with Thales concluded in 2021, raising £305,000.
- Laerdal supported our Heart Hero Awards 2021, helping us recognise our CPR heroes.
- Tesco, who have raised over £20m for the BHF since we started working together in 2015 as part of our sector leading health partnerships.



Fantastic fundraising tales...

Over the past year we have been overwhelmed by the ongoing support from fundraisers across the UK. Their extraordinary dedication to powering our science is demonstrated through their epic efforts.

Admiral graduates with Charmaine Griffiths, BHF CEO

Admiral Graduate Programme

Graduates at financial services company Admiral raised more than £15,000 as part of their ongoing Challenge Admiral scheme for BHF Cymru.

Leigh Manley, Admiral's Graduate Programme Manager, who has arrhythmogenic right ventricular cardiomyopathy (ARVC) said: "Challenge Admiral proved to be a winning concept – a partnership approach that sees Admiral grads developing a host of skills, while providing financial support for charities in Wales."

Hoppo's Hi 5s

A group from Mold Rugby Club have supported BHF Cymru for over a decade, holding an annual touch rugby tournament in memory of Paul Hopkins who had a heart condition and died suddenly aged 23. In 2021 they raised over £20,000 cycling 220 miles to Buckingham Palace.

Pedal power

Darren Macken from Leicestershire rode 100 miles in a day, alongside close friends and family, raising over £17,000 for our lifesaving research. Inspired by his granddaughter who was born with a complex heart condition Darren wanted to support the BHF knowing that his granddaughter will require multiple major heart surgeries throughout her life.

Jared Scott

Jared won't stop

When Jared Scott vowed to spend 2021 fundraising for BHF Scotland, he meant it. Jared, from Aberdeen, lost his mum and brother to heart disease and wanted to do something meaningful in their memory.

For his "Not Stopping for a Year Challenge", Jared moved every day. This involved runs, wild swimming, walking, and hiking up mountains - in the sun, rain, hail and snow. His incredible achievements drew huge support and raised thousands of pounds.

Malin Head to Brow Head

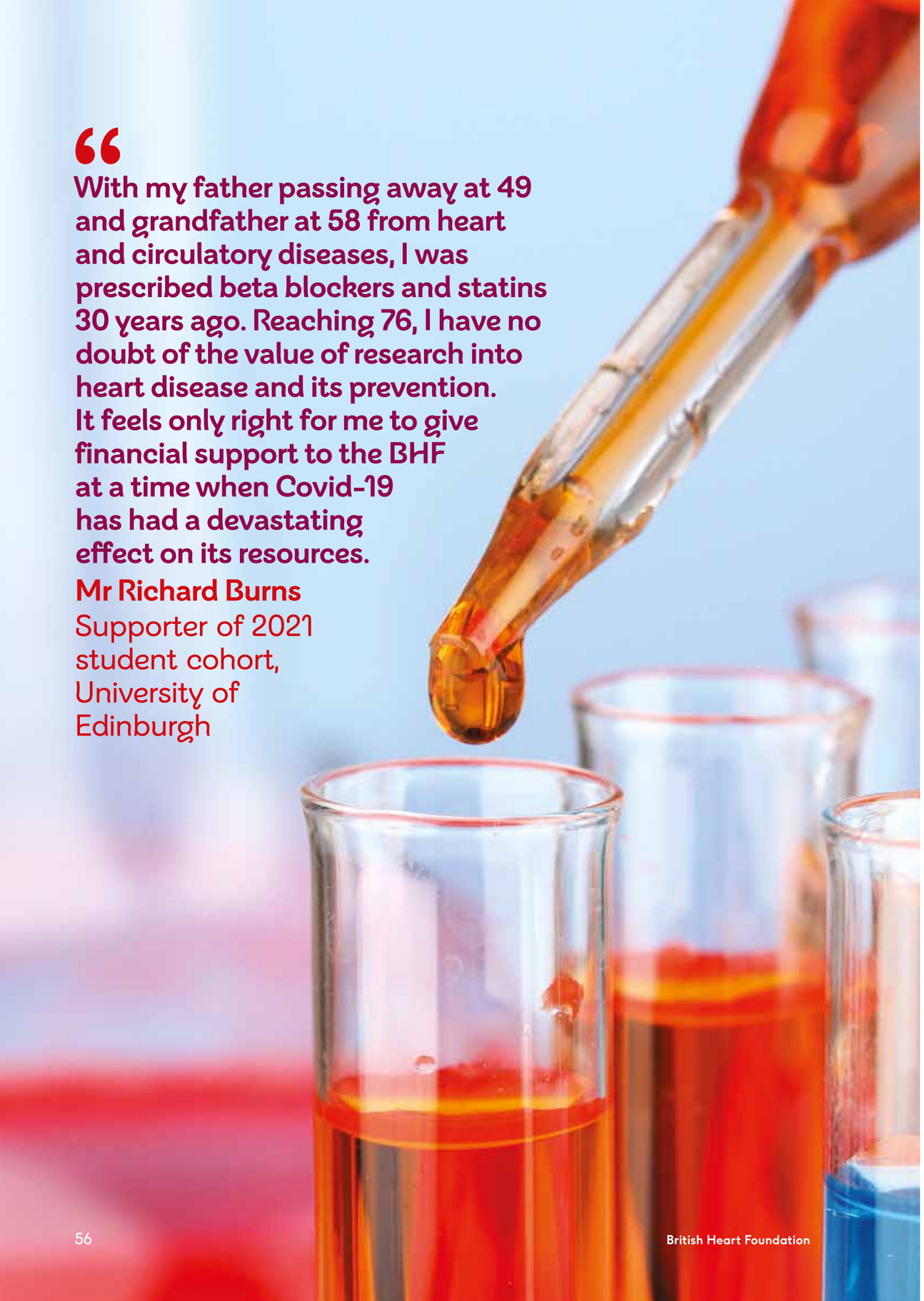
Jamie English, along with his friends and family and the Level Up Coaching Academy, raised £12,000 by virtually running the length of Ireland on Easter Sunday.

On the day, they managed to cover almost double this target by completing a combined distance of over 500 miles in 24 hours. The marathon fundraising effort was in memory of Jamie's dad, Tommy English, who died suddenly on 16 October 2017 following a suspected cardiac arrest. The sudden loss was devastating for Jamie, his sister Beth, their mum Jacqui, and all those associated with Tommy's beloved family and football club, Lisburn Rangers.

Remembering Rachael

Rachael Shannon from Ballinamallard passed away after developing sepsis. The 27-year-old was born with a genetic condition called Noonan Syndrome, which meant she had heart defects present at birth (congenital heart disease) and had undergone heart surgery in 2016.

Rachael's death was not connected to her heart condition, but her family wanted to help fund vital heart research for other children born with congenital heart conditions. Rachael's family and friends held a bucket collection at Ballinamallard Football Club and raised £2,300.



“With my father passing away at 49 and grandfather at 58 from heart and circulatory diseases, I was prescribed beta blockers and statins 30 years ago. Reaching 76, I have no doubt of the value of research into heart disease and its prevention. It feels only right for me to give financial support to the BHF at a time when Covid-19 has had a devastating effect on its resources.

Mr Richard Burns
Supporter of 2021 student cohort, University of Edinburgh

Thanks to the donors who think big...

Our ability to transform science fiction into cures is entirely dependent on the ongoing generosity of our supporters.

Philanthropy plays a vital role in powering the future of cardiovascular research. Transformational gifts fund studentships, new research and vital support for patients. This page recognises the generosity of some of our closest supporters, who are ensuring we continue to accelerate progress towards new treatments and better care for patients.

Recognising generous gifts from

Audrey Wilson Charitable Settlement
Mr Edward Broster
Frances and Augustus Newman Foundation
Mr James and Mrs Margaret Lancaster
ShareGift
The Michael Game Charity
The Peacock Charitable Trust

Leading support for the next generation

Mr Richard Burns
Mr Andrew Cripps
Dr Jonathan and Mrs Georgina de Pass
Dr Robert Easton
Masonic Charitable Foundation
Mr Andrew Spokes

Leading support for innovation in technology

Dr Doug Gurr

Leading support for putting patients first

Moondance Foundation

Leading support for translating discoveries from bench to bedside

Rosetrees Trust

A student volunteer at our Manchester Piccadilly shop

Our focus in 2021-22

Recovered retail profits by reducing property costs, diversifying our online offer, innovating stock generation, and focusing on empowering and equipping our people.

Retail recovery and resilience...

The pandemic and Covid-19 restrictions have challenged our 35-year-old retail operation like never before. People were tentative about returning to the high street and we received less donated stock and saw a significant reduction in volunteer numbers.

Record recovery

Despite the challenging conditions throughout the year, and thanks to the hard work and incredible commitment of our shop teams and the generous donations from our supporters, we achieved a remarkable £23.9m profit to invest in our lifesaving work, massively ahead of our expectations. The resilience of our retail model is attributable to the combination of four factors:

Value: We offer outstanding value – 77% of i tems sold cost less than £5 and our furniture shops offer exceptional items at a fraction of their original price.

Choice: We offer huge choice with constantly changing ranges that encourage frequent visits to discover new items, and our customers love the thrill of discovering the unexpected.

Community: We are embedded in community locations and, with the shift in working and shopping patterns away from major centres, have benefited from this desire to shop closer to home.

Sustainability: We offer genuine sustainability, not just in extending the life of products we sell but in the social benefits of the jobs and volunteering opportunities we create, the high streets we support, and the funds raised for our lifesaving research. By buying pre-loved items people really do make a difference whilst funding the science that saves lives.

We believe the combination of extraordinary value, choice, and sustainability our shops and online channels provides, allied to the mission of the BHF, makes us increasingly relevant and resilient and we are committed to our future as part of local communities across the UK.

Horley shop

Home sweet home

Whilst our smaller high street shops were adversely impacted for much of the year by footfall restriction and social distancing, our 184 large Home shops performed exceptionally well, thanks to people investing in the places they live and increasingly work, also boosted by the number of new builds and house moves.

We are hugely grateful to our retail teams, who worked tirelessly to prepare our shops and serve so many eager customers. We are also hugely grateful to the communities who shopped and donated. This ongoing support enables us to fund ground-breaking research into heart and circulatory conditions.

Stock partnerships

Our shops and online channels can handle almost any type of donation, enabling us to support a wide range of organisations and their environmental, social and corporate governance strategies. During the year we received major stock donations from many retailers including M&S, Amazon, Noble House, Claire's Accessories and Charles Tyrwhitt. These generous donations contributed significantly to our performance, for which we are very grateful.

Reuse Revolution

Our shops and stores fully reopened in spring 2021, following which we launched our Reuse Revolution campaign, encouraging shoppers everywhere to shop second-hand throughout May.

We joined forces with TV presenter and charity shop fan Miquita Oliver, who explored our shops for vintage items and retro pieces to show off in a photo shoot for Sunday Times Style magazine.

Coronation Street actress Kimberly Hart-Simpson also got involved, sharing her favourite BHF finds with her 135,000 Instagram followers.

Thanks to support from Miquita and Kimberly and fantastic press coverage, our Reuse Revolution web page had 35,000 visits. Following a long period of pandemic closures, the campaign brought to life how BHF shops offer a fabulous fashion range while helping to power our lifesaving science.

Miquita Oliver with some of her BHF finds

Our focus in 2021-22

Increased our investment in our data capabilities, customer service and customer-facing technology infrastructure. Including the pilot of a new logistics platform to support our growing Home retail business.

Multichannel retailer

Online will remain at the forefront of our retail growth as we increase investment in our data capabilities, customer service and customer-facing technology infrastructure. Our investment in technology is a key driver of BHF maintaining its position as the UK's largest and most successful charity retailer.

We launched a new in-shop eBay listing tool so that all 691 shops can list and despatch items directly as well as through our central eBay operation in Leeds. The combined efforts of our specialist eBay team in Leeds and our nationwide in-shop teams produced 108% growth in eBay sales, with a further 50% growth forecast for 2022–23.

During the year, we developed our range of Heart Health Products such as defibrillators, blood pressure monitors and portable ECG devices resulting in a 170% increase in sales. Our trusted BHF advice on learning CPR and health information through Heart Matters, is helping our online shop become the go-to place for the sale of defibrillators, with the hope that more lives can be saved in the future by making defibrillators more widely accessible.

ebay

The number of items sold last year on eBay was **236,000**

Volunteers

We launched a new volunteer platform, MyVolunteer, which gives our generous volunteers the best possible experience. During the first phase of this new system we are improving the process of signing up as a volunteer with us. By streamlining the application, induction and reference checking process, our new volunteers will be part of the team even sooner.

Next year we'll have quality information to understand our volunteers, better helping us to provide a rewarding experience of volunteering with the BHF.

From recovery to growth

Despite the wider market challenges, including significant cost inflation and the changing High Street, we are confident our diverse retail operation will continue to deliver significant profits to fund our lifesaving work.

We continue to review our shops and stores and the property we invest in and plan to open a further 85 large shops in several improved formats in the next 5 years. As we continue to re-site into larger, better-located units where required, we will also close a similar number of smaller and underperforming shops.

We will also continue to invest in keeping all the shops looking fresh and modern. With new window displays, fixtures, till points and systems, building on the major investments made to our back of house operations, CCTV and till hardware.

Multi-channel will be key to maximising donation value, and we need to stay focused on becoming the retailer of choice for donated items and for heart health products online.

We are still in our recovery, but we are truly grateful to everyone who has shopped with us, donated, or volunteered across our retail outlets. The combination of being the local retailer offering amazing value, choice and sustainability is proving a very powerful and durable attraction to shoppers in the new retail world. That gives us the confidence to continue to invest in our people, systems and shops for the long term. Ongoing innovation in how we develop shops, recruit volunteers, collect stock and sell through the best channels to maximise sales will be key.

Our bounce-back and success after such an extraordinary year is entirely down to the passion and commitment of our teams across retail, our supporters and shoppers. We are deeply grateful for the donations we receive and the commercial partners that support us.

Thank you to you all for powering the science that saves lives.

Reflecting on the huge changes we have made this year

Adapting to our new world

Now that we find ourselves in post-pandemic recovery mode, it's time to look at how we embrace our new world.

The disruption caused by the pandemic has been immensely stressful and challenging to navigate, but the pandemic has also shown us alternative ways to work. For the past twelve months we've been exploring new ways to adapt, and tirelessly planning our return to routine.

Our focus in 2021-22

Applied the lessons we've learnt during our Covid-19 response to how we work in the future, making sure we maximise the opportunities for improved flexibility, wellbeing and effectiveness – making sure we work in a way that's the best for the BHF and our cause.

The pandemic made us change. We had to change how we work, where we work and what we prioritise, both personally and professionally.

Much of this change has been positive for individual colleagues, for team performance, and for our organisation. But we've also lost some of the magic that happens when we get together. Our focus now is learning from the pandemic. We've launched a new programme called FlexiblyConnected to help us capture these lessons and give our colleagues new freedom to live and work sustainably. We're eager to support our colleagues at work and at home, while giving everyone the tools and skills they need to deliver our strategy and realise our mission.

With such a diverse workforce working in such varied roles and environments, being FlexiblyConnected is about balancing opportunities with challenges and understanding the breadth of perspectives, priorities and needs that we must address.

Great work happens when we connect the right people with the right ideas and the right tools to get things done. Part of this is about creating spaces, both physical and virtual, that foster connection, promote inclusivity, and support productivity. FlexiblyConnected is a work-in-progress and some of these goals will take time to reach, but we firmly believe this approach offers a sustainable future for everyone at the British Heart Foundation.

In the UK **one third of adults** with diabetes die from a heart or circulatory disease

Wellbeing at the BHF

One of our five People Experience priorities is to make a safe, healthy and inclusive workplace. This priority includes empowering colleagues to look after their health and wellbeing.

Last year we started implementing our three-year strategic wellbeing plan to develop a safe and inclusive culture to engage and retain staff.

Some of the key initiatives have included:

- People engagement campaigns; Winter Wellbeing, Work of Heart, Do One Thing For Wellbeing.
- Continuing to provide proactive and reactive Covid-related support including specific mental health support and supervision.
- Ensuring our FlexiblyConnected hybrid working programme supports wellbeing.
- Ensuring our performance development process includes wellbeing goals.
- Extended support from our Employee Assistance Providers to our volunteers.
- Trained 39 new Mental Health Ambassadors in Mental Health First Aid.

As we deliver our three-year wellbeing plan, we will amplify our attractiveness as an inclusive employer of choice.

Our focus in 2021-22

Recognised the varied experiences and difficulties staff and volunteers have, and continue to face, with the pandemic and making sure we have a safe, diverse and inclusive working environment for everyone.

The Kaleidoscope Group

The Kaleidoscope group is made up of colleagues from across the charity who are passionate about driving diversity and inclusion (D&I) within BHF.

Kaleidoscope meets once a month to discuss topics like celebrating diversity, training opportunities, and how we can ensure our people always feel safe and included. We also have a network of affinity groups that give people the opportunity to celebrate themselves, and listening groups that allow us to learn from people with lived experience.

Kaleidoscope activities cover three themes:

1. Awareness, visibility and understanding – improving colleagues' awareness and understanding of the nature, challenges, and opportunities with D&I.
2. Listening and measuring – improving our ability to understand the experiences of different groups at the BHF and improving our ability to measure progress.
3. Leadership, talent and culture – improving our ability to recruit and retain talent through enhancing leadership capability and creating a culture of D&I.

Affinity groups

Affinity groups empower, support and provide a safe space for people so they can bring their full selves to work. These groups can also be used to inform organisational policies, such as diversity and inclusion strategy, by providing recommendations to the wider organisation.

Affinity groups can be empowering, spread awareness of social issues, build communities, share information and help to celebrate diversity within the organisation. They can be formed by two or more people.

Affinity groups can be used to:

- Increase inclusion – this may seem counter intuitive, but they provide a way for people to celebrate differences in a safe and inclusive space.
- Provide a clear line of communication to senior leaders to voice concerns or issues and increase awareness of different lived experiences.
- Create an open forum for employees to share what they have in common, helping them to feel accepted and empowered, giving them a voice and confidence that their concerns will be heard.
- Create a space to further develop leadership and management skills.
- Attract new and diverse talent, knowing that there is a group for people who share important parts of their identity.

We currently have the following affinity groups in the BHF, which are established and active:

- Black Affinity Group
- Anti-Racism Affinity Group
- Parents at Work Affinity Group
- Disability Affinity Group (established 2021)
- Jewish Affinity Group
- Muslim Affinity Group
- LGBTQ+ Affinity Group
- Gender Equality Group (established 2021)

Igniting change

Building on the work of Kaleidoscope over the last few years, we have started several initiatives designed to improve equality, diversity and inclusion, but we now need a more ambitious and holistic view of what needs to change and what our role should be.

Cardiovascular disease is a disease of inequality. Too often, things like where you live, your income, your background, your ethnicity, and your gender determine your chance of developing – and dying from – cardiovascular conditions. With heart and circulatory diseases accounting for a quarter of deaths in the UK every year, these are large, persistent injustices that need addressing.

By bringing together our first cross-BHF roadmap for equality, diversity and inclusion, we hope to provide clarity on what we want to achieve, how we will measure progress and how we can hold ourselves and others to account. The steps we are taking, which are overseen by our Chief Executive and our EDI Steering Group, will help chart our journey to a fairer world for our colleagues, our research community, and people affected by heart and circulatory diseases. Our strategy was launched in May 2022.

Our focus in 2021-22

Equipped our leaders, managers and colleagues to unlock our people's full potential, inspire a deeper connection to our cause, and create an even stronger community of staff and volunteers supporting the work of the BHF.

Apprenticeships at the BHF

Apprenticeships offer exciting opportunities and encourage you to enhance your career, increase your knowledge and boost your confidence. Zakir Uneeb, finance systems analyst, completed his apprenticeship last year: "I wanted to get my experience by working, getting hands-on experience, this would be much better than any online course or book that I could've read at school."

Gender and ethnicity pay report

We continue to publish what we're doing on gender and ethnicity pay at the BHF. The diversity and fulfilment of our brilliant BHF team is inextricably linked to the impact we have.

As further described on pages 91–92, we are determined to ensure we are a fair and inclusive organisation and committed to sharing our progress. We know that improving inclusion and diversity begins with holding ourselves to account. When we reviewed the gender and ethnicity pay data our BHF team were particularly mindful that the Covid-19 pandemic influenced our 2021 colleague data. Despite that, it is heartening to see that overall our median gender pay data shows that the median of female and male pay are similar in 2021, with female pay 1.0% higher than male vs. 4.0% in favour of females in 2020. And when we look at median ethnicity pay data, the median for colleagues from an ethnic minority background is 9.6% higher, noting this base represents a smaller number of colleagues.

Behind these headlines and progress, as an organisation we know that there are specific areas in which we have more work to do.

Our focus in 2021-22

Further embedded sustainable practices across the BHF and promote them in the wider sector (particularly in charity retail), to make sure we remain a leading force for good in society.

Sustainable progress...

For an organisation founded on an optimistic view of the future, it's critical that we protect the present and safeguard the planet.

Protecting tomorrow's world

Our Sustainability Programme challenges us to minimise waste, reduce emissions, and prevent pollution, while also considering how our supply chains impact people and communities.

Governance is provided by the Sustainability Programme Board, led by our Commercial Director, with two dedicated staff supporting. This year we launched a Green Champion network to identify future environmental projects and energy savings, increase understanding of sustainability initiatives, and carry out pilots to drive innovation.

This has been the first fully operational year since the programme launched, with real progress made in all target areas.

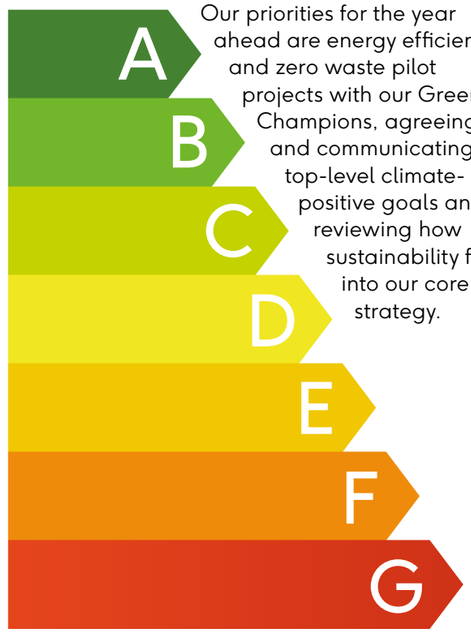
Our commitment to the environment

Our plans are built upon five themes, each with goals, ongoing monitoring and measuring. This year we have been broadly on target and in some cases ahead. We have:

- Delivered recycling bins to 99% of BHF shops and offices for cardboard, paper, plastic bottles and cans. This is in addition to our wide range of existing re-use and recycling services for unsold donated items.
- Improved our database tracking where items go for re-use and recycling. We analysed 2,301 donated homewares, toys and media with the University of Surrey to understand material mix and the potential for reducing greenhouse gas emissions by diverting waste.
- Phased out single use plastic where we can. Only 1.4 million plastic bags were issued this year, down from 6.2m in 2019–20. 73% of our shops now only sell our bioplastic carrier bags, made from compostable corn starch.
- Reduced staff travel to 1.6m miles, down 46% from 2.9m miles in 2019–20. While some of this is attributable to a slow return from lockdown, our sustainable travel hierarchy also plays a part.
- Encouraged more sustainable travel, and signed a new contract for company cars, with a focus on electric and hybrid vehicles.
- Developed our ethical sourcing framework. All suppliers and partners have been assessed against this framework with enhanced checks on suppliers and partners in higher risk categories. 36% of BHF's recycling traders are now also certified under the ethical standard TRUST.
- Ongoing monitoring of Streamlined Energy and Carbon Reporting (see pages 76–77). Following the disruption to operations last year, our reported emissions are 19% lower this year than in 2019–20, with our energy usage down 14%. These reductions incorporate ongoing energy efficiency improvements in ways of working across our operations.
- Re-use and recycling through our shops has saved over 57,000 tonnes going to waste, enabling 130,000 tonnes of avoided greenhouse gas emissions.

Improvement areas

We're proud of what we've achieved and the part our staff and volunteers have played, but recognise there is room for improvement. Transparency is important to us, so we're reviewing our goals to reflect what we can do to improve.



Our priorities for the year ahead are energy efficiency and zero waste pilot projects with our Green Champions, agreeing and communicating top-level climate-positive goals and reviewing how sustainability fits into our core strategy.

Financial review

Overview

After experiencing in 2020–21 one of the most challenging periods in its history, the BHF recovered strongly through the last year. Overall, the BHF generated total net income of £142.1m in 2021–22 (2021: £57.2m), an £84.9m or 148% increase on the prior period. This variance principally reflected the significant bounce-back in retail trading, following the enforced closure through periods of lockdown of our shops and stores for much of the prior year. Consequently, we moved from a £40.5m loss from retail trading activities in 2020–21, to a profit of £23.9m in 2021–22. In addition, 2021–22 was a record breaking year for legacy income, which was up 32% to £102.6m. This performance contributed to the proportion of total income available for charitable purposes increasing from 67% to 81%, substantially exceeding our target of ensuring that at least 70p in every £1 is available to fund our lifesaving work.

During 2021–22 we invested £87.7m (2021: £74.2m) in delivering our charitable mission, including net investment of £62.4m in medical research (2021: £49.7m). This reflected our strong and ongoing commitment to funding research into all heart and circulatory diseases and their risk factors, with £72.3m of new research grants awarded in the year (2021: £51.9m) and all existing commitments honoured as they fell due.

In addition, £25.3m (2021: £24.5m) was invested in Healthcare Innovation, helping families affected by heart and circulatory disease with support and information. This resulted in an income and expenditure surplus for the year, before investment gains, of £54.4m (2021: a deficit of £17.0m). Overall net income was £68.5m, inclusive of a £14.1m gain on investments, compared to £29.8m in the prior year (inclusive of a £46.8m gain on investments). As set out in the Group Statement of Financial Activities, our total expenditure for this year was £297.3m (2021: £242.3m), of which £178.3m (2021: £140.7m) was directly attributable to our trading activities, primarily our retail business.

Statement of financial activity – Summary

	2022	2021	Movement
	£m	£m	%
Legacy income	**102.6**	77.6	32
Fundraising income[1]	**46.0**	43.9	5
Retail net profit/(loss)[2]	**23.9**	(40.5)	159
Investment and other income[3]	**3.0**	4.6	(35)
Total income (net of retail costs)	**175.5**	85.6	105
Direct costs of generating funds[4]	**(33.4)**	(28.4)	18
Net income available for charitable purposes	**142.1**	57.2	148
% of total income available for charitable purposes	**81%**	67%	
Research	**(62.4)**	(49.7)	26
Healthcare Innovation	**(25.3)**	(24.5)	3
Total charitable expenditure	**(87.7)**	(74.2)	18
Net income/(expenditure)	**54.4**	(17.0)	220

Notes

1. Fundraising income comprises donations of £26.0m (2021: £25.5m), volunteer fundraising of £15.1m (2021: £13.3m) and income from fundraising trading activities of £4.9m (2021: £5.1m).
2. Retail net profit/(loss) comprises retail net profit of £20.6m after Covid-19 government support (2021: net loss of £41.9m) and income from donations received in BHF shops of £3.3m (2021: £1.4m).
3. Investment and other income includes income from charitable activities of £0.3m (2021: £0.1m), investment income of £2.6m (2021: £2.7m), Covid-19 government support (non-trading) of £nil (2021: £1.8m) and other income of £0.1m (2021: £nil).
4. Direct cost of generating funds comprises total fundraising costs of £31.3m (2021: £27.4m) and costs of fundraising trading of £2.1m (2021: £1.0m).

Financial review

Net Income

In 2021–22, we generated total income of £175.5m (2021: £85.6m), inclusive of the return generated from our retail trading activities. This represented an increase of £89.9m or 105% on last year, principally reflecting the bounce-back to a profit of £23.9m from retail trading activities, against a prior year loss of £40.5m caused by the extended periods of lockdown closure of our shops and stores.

Legacies remain our largest single source of income and at £102.6m were at the highest level ever, up 32% on the prior year (2021: £77.6m). Legacies exceeded £100m for the first time, reflecting high underlying asset values and the receipt of some significant individual gifts. Income from other fundraising activities increased by £2.1m or 5% in the year to £46.0m (2021: £43.9m), inclusive of a strong performance across several areas including philanthropy, corporate partnerships, community fundraising and individual giving, alongside the return of many events during 2021–22 following Covid-related cancellations in the prior year.

In BHF Retail, we operate the largest charity retailer in the UK and one of the largest eBay charity retailers in the world. The pandemic and the ongoing Covid-19 restrictions challenged our retail operation like never before. Following significant disruption in 2020–21, our shops and stores finally fully reopened early in the new financial year with a record £1m of sales on the first day, and consistently strong performance thereafter. Overall, through the hard work of our retail teams and generosity of our supporters we achieved a profit of £23.9m (2021: net loss of £40.5m), significantly ahead of our expectations.

Gross retail income, including donations received in BHF shops and stores and Covid-19 government support was £200.1m compared to £99.2m in 2020–21, an increase of 102%. Total retail trading costs were £176.2m (2021: £139.7m), a 26% increase on the prior year reflecting the return to more normal levels of trading activity.

As at 31 March 2022, the BHF operated 691 shops (2021: 729), including 507 standard shops (2021: 541) and 184 Home stores (2021: 188). During 2021-22, we opened 2 new Home stores, closed a total of 29 shops and stores and now report 11 Home stores which incorporate a standard shop fashion offer as one site. Whilst we continue to review the store portfolio with an ongoing objective of increasing lease flexibility and reducing fixed cost, we aim to build on the strength of the recovery with plans to open a further 85 large shops in several improved formats in the next 5 years. Our online channels remain fundamental to our growth plans, with total online sales of £9.9m in the year, compared to £4.7m in 2020–21. This includes sales of donated stock via eBay, as well as a growing contribution from a range of heart health products such as defibrillators, blood pressure monitors and portable ECG devices.

During the financial year, investment in the direct costs of generating funds increased by 18% to £33.4m (2021: £28.4m), reflecting the increase in fundraising activity as Covid-19 restrictions were eased. As a result, the BHF generated £142.1m of net income for charitable purposes in the financial year, a 148% increase on the prior year (2021: £57.2m).

Charitable expenditure

During 2021–22, our charitable expenditure totalled £87.7m, up from £74.2m in 2020–21. The reopening of our retail business and strong performance across all income streams meant that we were able to increase funding for new research by 39% to £72.3m in 2021–22 (2021: £51.9m). We also maintained our commitment to existing grants and continued to offer researchers the opportunity to apply for Covid-19 grant extensions.

After adjusting for cancellations and discounting as outlined below, and including allocated support costs, research expenditure is reported as a total investment of £62.4m (2021: £49.7m). In addition, £25.3m (2021: £24.5m) was invested to fund Healthcare Innovation, covering a range of activities focused on promoting information and support for heart and circulatory disease patients.

As noted above, our five research funding committees awarded 150 new research grants worth £72.3m (2021: £51.9m), including supplements made to new and existing grants. The Chairs and Programme Grants Committee spent £32.2m funding a range of research projects including £10.2m for programme grants and £5.0m for special projects. Total research investment also included £23.5m for fellowships, £12.5m for project grants, £2.8m for clinical studies and £1.3m for translational awards (representing expected payments to the completion of future milestones). During 2021–22, eight grants were awarded costed extensions totalling £0.2m due to the disruption caused by Covid-19. In addition, although the selection process for the Big Beat Challenge (our competition for a £30m research grant to fund a programme that aims to bring transformational patient benefit) progressed successfully in the year, this award will be recognised in the 2022–23 financial year.

The total reported investment in research of £62.4m (2021: £49.7m) is different to the total new grants awarded because it reflects allowances for the experience that the majority of grants are not claimed in full, the application of a discount factor to reflect the long-term nature of the majority of the grant liabilities, as well as relevant BHF staff and support costs.

Beyond our core research funding, investment in Healthcare Innovation totalled £25.3m (2021: £24.5m). This covered a range of activities in support of heart and circulatory disease patients, including our Coronavirus Information Hub, Heart Helpline and new online hub for people with congenital heart conditions. We also continued to invest in innovation through the development of The Circuit, which will help to save more lives from out-of-hospital cardiac arrest by allowing bystanders to be directed by the ambulance service to their nearest defibrillator, and RevivR™, our new digital CPR training tool in partnership with Laerdal. Key activities also included evidence-based policy making and influencing of key government and health system decision-makers, including a campaign focusing on the record length of waiting lists for time-critical heart care, as well as work on health inequalities using national datasets and qualitative feedback to map cardiovascular health disparities.

Balance sheet

As at 31 March 2022, total cash, deposits and investments were £285.8m, an increase of £31.2m in the year. This reflected strong operational cash generation, in particular from our retail business and legacies and the continuing recovery in equity markets, which generated a £14.1m gain on investments (2021: £46.8m).

Our cash and investment portfolios are held to help us ensure we are always in the position to settle grant commitments, with an outstanding research grant provision of £282.0m as at 31 March 2022 (2021: £318.9m). Grants awarded are commitments by the BHF to reimburse recipients for expenditure properly incurred in accordance with grant agreements. It is our policy to provide for the total expected commitment at the point a grant is agreed and communicated to the grantee. However, there is often a substantial time lapse between recording a new grant award in our financial statements and its subsequent payment, and the full grant commitment may not be utilised in full. These factors are reflected in the year-end provision.

At the end of the financial year, the BHF Group is reporting total net assets of £117.7m compared to £49.2m last year. Total Unrestricted Funds in the Group balance sheet showed a surplus of £100.2m (2021: £24.6m). The increase in net assets principally reflects the reduction in the grant liability, increase in cash due to income from legacies and retail, and the gain in the value of the equity portfolio.

Although Total Unrestricted Funds have returned to surplus this year end, after careful consideration the Trustees remain of the view that a deficit on reserves is a position that could be maintained in the longer term, taking into

Financial review

account the relatively long-term nature of the BHF's grant liabilities, our cash and investment portfolio and the considerable diversity of our fundraising activities, including legacies, which provide ongoing cash resources to fund research grant liabilities. Of the total research liabilities of £282.0m, £187.3m are long-term and will be funded, in part, by income generated in future years. As outlined in the reserves policy below, the key measure of sustainability for the BHF is current and future liquidity cover.

Reserves policy

The Board of Trustees considers the key measure of sustainability for the BHF to be current and future liquidity cover, rather than the surplus or deficit accounting position. Consequently, Trustees have set an appropriate reserves policy, which is reviewed annually relating to liquidity, based on the relationship between readily realisable assets and the cash required to settle grant liabilities and sustain the BHF's operations for an anticipated period, as explained below. Trustees have decided that, after an allowance for future income expectations (including an assessment of the potential loss from an extended interruption to retail trade), the BHF should at all times maintain cash and readily realisable assets sufficient to fund between not less than 12 and not more than 24 months of forecast cash outflow to settle grant awards, plus 12 months of non-retail operating costs (excluding direct costs of income generation).

In the event of the BHF facing difficult financial circumstances, these reserves would allow us to both meet our responsibilities to grant holders and for operations to continue during a period of managed adjustment to these new circumstances. Based on the current grants position, this policy requires us to hold between £115m and £154m in liquid and readily realisable assets.

At 31 March 2022, our total cash, deposits and investments of £285.8m were significantly above the upper end of the reserves range. This represents a remarkable recovery following the significant disruption of Covid-19 to the BHF's operations and income in the prior year. As part of our strategic planning process, the Trustees will continue to consider how these excess reserves can best be applied over the medium term to accelerate our charitable mission.

Investment policy and performance

The BHF held total cash, deposits and investments of £285.8m as at 31 March 2022, an increase of £31.2m on 2021. The BHF has three portfolios: an equity growth portfolio, a short-dated corporate bond portfolio and a cash portfolio.

The investment objective of the growth portfolio, which was valued at £139.4m as at 31 March 2022 (2021: £124.1m), is to provide real growth over a 5-to-10 year horizon. The growth portfolio consists almost entirely of equities. Overall, the growth portfolio generated a total return, net of fees, for the year ended 31 March 2022 of 13.1%, against a benchmark of 12.4%.

In addition, a short-dated corporate bond portfolio is managed by Royal London Asset Management Limited (RLAM), with £19.4m held as at 31 March 2022 (2021: £25.3m). The portfolio is constructed such that the coupon and maturity payments generated broadly match the forecast net cash requirements of the BHF's research funding commitments over the medium term. The short-dated corporate bond portfolio generated a total return, net of fees, for the year ended 31 March 2022 of -1.4%. The growth and short-dated corporate bond portfolios included a total of £3.1m of cash held for investment purposes as at 31 March 2022 (2021: £2.8m).

To balance short-term cash requirements and investment risks, we maintain a cash portfolio, with £101.8m held as at 31 March 2022 (2021: £86.1m). During the financial year we transitioned from a segregated portfolio managed by RLAM into RLAM's short-term Money Market Fund. The portfolio of readily realisable investments are reported within the total cash and cash equivalents on the balance sheet of £127.0m (2021: £105.2m). The investment objective of the cash portfolio is to preserve the absolute capital value of the assets, with the return benchmarked against the relevant SONIA (Sterling Overnight Index Average) rate. The RLAM cash portfolio generated a total return for the year ended 31 March 2022 of -0.0%, against the benchmark return of 0.1%.

The total return on investments for the year (including net investment income) was a net gain of £15.6m (2021: £48.6m).

Our investments are governed by investment and treasury policies that are reviewed by the Trustees on an annual basis. The policies are designed to balance the objective of maximising investment returns against the risk and liquidity of the investments, including consideration of environmental, social and governance issues, as further discussed below.

All investment managers are asked to demonstrate effective systems of control, including annual compliance with the requirements of the ICAEW Audit and Assurance Faculty assurance framework (or equivalent) on internal controls.

Reserves and grant commitments

	2022	2021
	£m	£m
Equity growth portfolio (including cash held for investment purposes)	**139.4**	124.1
Short-dated corporate bond portfolio	**19.4**	25.3
Cash and cash equivalents	**127.0**	105.2
Total cash and investments	**285.8**	254.6
Grants – year end provision	**282.0**	318.9
Unrestricted funds	**100.2**	24.6
Total funds	**117.7**	49.2

Responsible investment policy

The BHF is committed to investing its funds in a responsible manner and for the investment portfolio to be managed in accordance with the BHF's own charitable mission and values. This means having regard to best practice in Environmental, Social and Governance (ESG) issues. The investment managers are expected to encourage good behaviour in the companies in which they invest and should promote sustainability, good business ethics, good employment practices and the transition to a low carbon economy.
The BHF currently employs Schroder Investment Management Limited and Royal London Asset Management Limited to manage the investment portfolio. Both firms are signatories to the Principles for Responsible Investment (PRI), integrate ESG and engagement fully into their investment processes and produce regular ESG reports. There is a formal exclusion on investment in tobacco (defined as a company deriving more than 5% of turnover from the manufacture of tobacco or tobacco related products) and the investment portfolio is regularly monitored for its resilience to ESG and carbon risks.

Pensions

The BHF UK Retirement Plan, a defined contribution scheme, is available for employees to join at any time. Contributions made to the Plan during the financial year totalled £4.6m (2021: £4.8m). In addition, the Charity retains a funding obligation to the BHF UK-defined benefit pension scheme ('the Scheme'), which was closed to new entrants from 30 June 2001 and to future accrual from 31 May 2016. The Scheme remains subject to a formal triennial funding valuation, with the most recently completed being as at 1 July 2020. This showed a funding surplus of £2.0m, such that no additional employer contributions are currently required. The actuary carries out a separate annual valuation of the Scheme in accordance with 'FRS 102: Employee Benefits', in which different funding assumptions are applied. The FRS 102 valuation as at 31 March 2022 showed a surplus of £10.9m (2021: £10.5m). In accordance with FRS 102, this surplus is not recognised as an asset, on the basis that future economic benefits

Financial review

are not deemed available to the BHF in the form of a reduction in future contributions or a cash refund. This is further explained in note 14 to the financial statements.

Charitable activity in Scotland

The BHF has charity shops in Scotland and receives income from other fundraising activities undertaken in Scotland. In 2021–22, 32 research grants totalling £7.5m were awarded to the Universities of Aberdeen, Edinburgh, Glasgow, Glasgow Caledonian, Dundee, Heriot Watt, St Andrews, Stirling and Strathclyde.

The Charity is registered in England, Wales, Scotland and Northern Ireland. Further information on our activities in each nation is available at bhf.org.uk.

Activity in the Isle of Man

The BHF is registered as a charity in the Isle of Man and has a fundraising group there. During 2021–22, fundraising continued with the support of the community and £20k was raised (2021: £21k).

Trading subsidiaries

The British Heart Foundation has three wholly owned trading subsidiary undertakings: British Heart Foundation Ventures Limited, BHF Shops Limited and London to Brighton Bike Ride Limited (dormant). The profit distributed to the Charity in the year from the subsidiaries was £15.2m (2021: £2.0m). Profits of trading subsidiaries are detailed in note 13 to the accounts.

Streamlined energy and carbon reporting

The BHF is reporting for the third time under the Streamlined Energy and Carbon Reporting regulations. This requires an annual report on greenhouse gas emissions from Scope 1 and 2 Electricity, Gas and Transport. This report has been compiled in line with the March 2019 BEIS 'Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance', and the EMA methodology for SECR Reporting. All measured emissions from activities which the organisation has financial control over are included as required under The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018, unless otherwise stated in the exclusions statement. The carbon figures have been calculated using the BEIS 2021 carbon conversion factors for all fuels, other than the market-based electricity, which has been taken from EDF as the UK supplier. The intensity metric that the BHF uses to normalise emissions for annual comparison is tCO2e per £1m turnover, this is considered the most appropriate metric for the nature of BHF activities and operations.

BHF's location based emissions increased by 99% between 2020–21 and 2021–22, largely as a result of reduced consumption in 2020–21 caused by shop and office closures for extended periods during the year due to Covid-19 restrictions. In comparison to 2019–20, during which the pandemic had limited impact, location based emissions in 2021–22 were 19% lower. These reductions incorporate ongoing energy efficiency improvements in ways of working across our operations. The BHF recognises the threats posed by climate change, pollution and resource depletion. Our Sustainability Programme is the framework we use to shape our medium-term approach and monitor and improve our performance, with progress on key initiatives reported on pages 68 and 69.

Going concern

The Trustees have reviewed our financial position and financial forecasts, taking into account the levels of investment reserves and cash, and the systems of financial control and risk management. As a result of this review, the Trustees believe that we are well placed to manage operational and financial risks successfully. Accordingly, the Trustees have a reasonable expectation that the Charity and the Group have adequate resources to continue in operational existence for the foreseeable future, being a period of at least 12 months from the approval of the financial statements. As a consequence, the Trustees continue to support the going concern basis in accounting in preparing the annual accounts.

UK Carbon Footprint Data 2021–22

Scope	Description		2022 tC02e[1]	2021 tC02e
Scope 1	**Combustion of fuel on site and transportation**		**1,308**	962
Scope 2	**Purchased energy (electricity)**			
	Location based – UK grid		**4,328**	2,404
	Market based		**174**	121
Scope 3	**Supply chain emissions**			
	Location based – UK grid		**3,255**	1,098
	Market based		**2,078**	756
	Total location based		**8,891**	4,464
	Total market based		**3,560**	1,839
Intensity Ratio	**tC02e / £1m turnover**	**Location based**	**25.3**	19.8
		Market based	**10.1**	8.2

Energy usage

Total consumed		2022 **kWh[2]**	2021 kWh
Electricity		**20,382,178**	10,311,605
Natural gas		**4,774,955**	4,003,163
Vehicle fuel		**5,800,590**	2,068,023
Gas oil		**-**	27,038
Electric vehicle		**499**	-
Total		**30,958,222**	16,409,829
Electricity	**Carbon 0%**	**96%**	95%

1. Tonnes of carbon dioxide equivalent
2. Kilowatt hour

Principal risks and uncertainties

Internal control

The Trustees are responsible for ensuring that there are effective and adequate risk management and internal control systems in place to manage the strategic and operational risks the Charity is, and could be, exposed to.

Processes in place regarding risk management and internal controls include the following:

- A BHF Risk Management Framework which meets the Charity Commission's requirements and follows good practice from the Institute of Risk Management (IRM).
- An Internal Audit function supported by BHF's internal audit partner Crowe UK, which delivers a risk-based audit programme approved by our Audit and Risk Committee. The Audit and Risk Committee reviews internal audit follow up by BHF management, as well as more detailed reports from senior management on key areas of risk.
- All major programmes and projects are scrutinised by the Executive Group and monitored through an Operations Board to ensure they are properly planned and implemented.

Risk management

The Risk Management Framework sets out the process that we use to identify and manage risks in all our activities. This process is supported by individual Directorate Risk Registers and an overarching BHF Corporate Risk Register (CRR).

In March 2022, the Trustees completed their annual review of the CRR. In the course of this review, the Board has considered:

- the high and significant risks to which the BHF is exposed,
- the potential impact and probability associated with each risk,
- existing internal controls, and
- mitigating actions to reduce each risk to a level that the Board considers to be acceptable.

In addition to the Trustees' annual review, the CRR is reviewed by the Executive Group and reported to Audit and Risk Committee on a quarterly basis.

Risk	Management
Income & Expenditure External factors significantly reduce income or increase costs, impacting on our ability to deliver our charitable mission.	Following the unprecedented impact of Covid-19 in 2020–21 on both our income and planned charitable expenditure, the BHF has since recovered strongly, with cash and investment reserves almost back to pre-pandemic levels. This performance reflected excellent cash generation from key income sources, including legacies and retail trading, together with the continued impact from principal risk mitigations, including: **Increasing income and reducing expenditure:** • Where necessary, we made use of the Coronavirus Job Retention Scheme and other government Covid-19 grant funding schemes. This support was particularly important for our Retail operations, which were unable to open for extended periods through the prior year. • Given trading restrictions, we sought and received financial and other support from our landlords and other suppliers and partners. • We successfully accelerated development of online platforms to support both our fundraising and Retail activities, as well as launching a Coronavirus Information Hub to provide up-to-date information and support for people with cardiovascular disease. **Monitoring, review and management of the financial impact of Covid-19 impact on BHF finances:** • Regular monitoring and reforecasting of financial performance throughout the year. • Adjustments to our cash and investment reserves portfolio to prioritise liquidity, so as to ensure all research commitments are settled on a timely basis. • The preparation of long-term financial forecasts aligned to the BHF's strategy to 2030 that target a diversification of income streams and incorporate an ongoing consideration of market and consumer trends. **Ensuring we get most value out of the spend we have already committed to as well as ensuring new awards are the most impactful:** • Introducing a framework for considering costed and no-cost research grant extensions and introducing an additional prioritisation process for grant awards • Advocating for the Government to safeguard research in the UK by adopting the Life Sciences – Charity Partnership Fund. • Use existing BHF-funded infrastructure to address urgent Covid-related research questions through our national Flagship Projects.
Pandemic Ongoing impact of Covid-19 (Coronavirus) on our people and operations.	• Invoking the Crisis and Business Continuity Plan, incorporating managing our Covid-19 response through a gold, silver and bronze response group structure. • Horizon scanning and scenario planning to ensure we were prepared for potential future developments and restrictions. • Coordinating internal and external communications to ensure alignment with developing government guidance. • Introducing Covid-safe measures in all shop and office locations when permitted to open. • Wellbeing & Support Workstream was established to support managers and staff whilst working remotely to provide emotional and practical support, including the extension of Employee Assistance Programme to volunteers. • Business Continuity Planning and monitoring the capacity of all teams to continue to deliver core activities. • Monitoring and testing of technology resilience. • Agile audits to understand the impact and lessons learned from key activities.

Principal risks and uncertainties

Risk	Management
Cyber threats A breach of BHF's IT infrastructure or services results in loss of data or denial of service.	BHF retains a specialist Information Security team who are delivering a comprehensive information security programme which ensures cyber risks are regularly reviewed and counter measures prioritised. Key risk mitigations include: • The deployment of multi-factor authentication and privileged identity management. • Data classification and data loss protection. • Firewall, proxy and anti-virus protection measures, with associated vulnerability monitoring and penetration testing. • Installation restrictions, patch management and end-of-life monitoring, • The development of a Technology Disaster Recovery Management framework.
Adverse Events Incidents that damage reputation and/or negatively impact operations (including, serious fraud, supply chain disruption, major health and safety incidents, safeguarding and internal process failures).	• Proactive detection, monitoring, reporting and whistleblowing arrangements to enable investigation of potential adverse events and incidents. • Proactive and reactive media management in place, including ongoing digital and traditional media monitoring. • Dedicated specialist resource is applied in key areas such as health and safety, risk and assurance, procurement, safeguarding and legal that support organisation-wide events and operations. • Monitoring of key suppliers, including financial, ethical and other due diligence checks. • Continuing programme of health and safety improvement training is being delivered to strengthen our safety management system. • Continuing programme to drive IT improvements and strengthening of infrastructure and cyber security to protect BHF assets. • Review and reissue of safeguarding policy, procedures and training. • Review and testing of incident management framework, business continuity and disaster recovery plans.
Regulatory environment Changes in government policy, regulatory requirements and/or Charity Sector guidance negatively impact on the BHF's strategy and activities.	• BHF risk management, legal and fundraising compliance teams monitor public policy and the regulatory environment to ensure potential risks can be proactively managed. • Active programmes of advocacy, influencing and senior level engagement to ensure our views are shared. • Senior BHF and partner representation at key events and forums to help shape the research agenda.
BHF Strategy Strategic objectives and activities are not properly or sufficiently focused in order for the charity to deliver its mission.	• The BHF's Strategy to 2030 sets out how we aim to play a leading role in achieving significant improvements in heart and circulatory health. • Our 3-year Strategic Plan outlines the key milestones in the medium term for the successful delivery of the Strategy, which are monitored and reviewed by the Executive Group and Trustees. • The development of supporting programmes and operational plans are informed by internal and external subject matter experts. • Scrutiny and approval of research funding applications by international expert committees.
Investments The BHF is exposed to financial risk and market movements through its cash and investment portfolios, and via the assets and liabilities of a defined benefit pension scheme.	• Expert financial advice informs investment and treasury policies that ensure our portfolio is adequately diversified and managed. • Oversight of investment performance by our Investment Committee, who monitor compliance and effectiveness of our investment and treasury policies. • The Trustees of the defined benefit scheme (closed to new members and future service accrual), in consultation with the BHF as sponsoring employer, ensure expert advice informs the Scheme's investment and liability management policies. • Ensuring our investment reserves are invested in a responsible manner, having regard to best practice in Environmental, Social and Governance (ESG) issues, and in accordance with the BHF's own charitable mission and values.

Risk	Management
Our People Attracting, developing and retaining talented staff and volunteers in a competitive employment market.	• Targeted communication during the uncertainties of Covid-19 to keep employees and volunteers engaged. • An active communication programme using our intranet site to ensure staff and volunteers are always informed on the BHF's strategy and the progress being achieved. • Monitoring of trends in an increasingly competitive and dynamic employment market with regular benchmarking of compensation and benefits. • Introduction of our FlexiblyConnected programme to enable staff to have more flexibility in their work patterns and help maintain a healthy work-life balance. • Responding to the impact of Covid-19 on our existing volunteer base by running targeted campaigns to attract younger skilled volunteers, as well as improving the volunteer recruitment and on-boarding process. • Ethnicity and Gender Pay Gap monitoring and reporting. • Development of our EDI strategy and engagement programme. • Talent management, development and succession planning programmes.
Normalising Change Delivering effective change management through major process improvement programmes in support of the BHF Strategy.	• Application of portfolio management processes for effective requirements capture, supplier selection and project delivery. • Operations Board and Executive Group review, monitor and support all key change programmes ensuring appropriate governance and resourcing priorities are addressed. • Independent programme assurance of key change programmes.
Collaborative Research The impact of Britain's withdrawal from the European Union has a negative impact on the research sector, our ability to attract researchers, or collaborate with European research institutions.	• We have made bilateral agreements with European and global institutions. • Engaging with BHF-funded researchers to better understand the impact. • Engaging with relevant government and umbrella organisations to advocate and influence in the interest of our beneficiaries. • Monitoring the impact of actual or perceived barriers on the UK's ability to attract research talent, such as visa and associated costs.
Environment and sustainability Our supporters expect us to conduct our activities in a responsible and sustainable way. Failure to progress our sustainability programme could damage our reputation, introduce higher costs and impact our ability to deliver our charitable mission.	• Developing and monitoring a Sustainability Programme that challenges us to minimise waste, reduce emissions, and prevent pollution, while also considering how our supply chains impact people and communities. • Ensuring our investment reserves are invested in a responsible manner, having regard to best practice in Environmental, Social and Governance (ESG) issues. • Exploring opportunities through influence and engagement to reduce the environmental impact of the research we fund and the wider research environment.

Legal structure and governance

The British Heart Foundation is a company limited by guarantee, incorporated in England on 28 July 1961, and registered at Greater London House, 4th Floor, 180 Hampstead Road, London NW1 7AW. Our Articles of Association were last amended on 31 March 2016 and provide for a limitation of member liability to £1. The BHF is a registered charity in England and Wales (charity number 225971), in Scotland (charity number SC039426) and on the Isle of Man (charity number 1295).

The Board of Trustees is responsible for the governance and strategy of the BHF. The Board is made up of up to 14 Trustees, comprising a mix of medically-qualified and lay members. The Trustees have full legal responsibility for the actions of the BHF, are appointed for a renewable term of three years and are the directors of the company for the purposes of the Companies Act 2006.

The Board meets on a quarterly basis and delegates day-to-day responsibility for the running of the BHF to the Executive Group. The Board also delegates specific responsibilities and activities to various sub-committees, including the Audit & Risk, Investment, Retail, Nominations and Remuneration & People committees. Our investment in research is overseen by five medical committees with responsibility for specific areas of research including the review of grant applications and other scientific award proposals. An organisation chart listing all our current committees can be found on page 83.

Our Board and Committee Structure

Our committees and groups are arranged into one of three streams – Governance, Operational and Advisory. The BHF's governance structure has continued to operate effectively throughout the pandemic, with all Board, committee and other management meetings taking place as planned again this year. During the pandemic we moved primarily to online meetings, but as restrictions have lifted, the Board and committees have gradually returned to meeting in person or hybrid meetings.

Governance stream

The Trustees have the ultimate responsibility for running the Charity, their principal duties being to set the strategic direction of the Charity and ensure that the Charity is solvent, properly run and delivers its charitable purposes. To ensure that all decisions are informed and appropriate, and where it is beneficial to the BHF, the Trustees have delegated certain tasks to directly accountable committees. These 'Governance Committees' are comprised of members with relevant specialist knowledge. There are currently three Governance Committees – Audit & Risk, Nominations and Remuneration & People – each of which has members who are independent of the Trustees and are experts in areas appropriate to their committee's work.

Operational stream

The operational committees review and make decisions on key operational matters on behalf of the Board of Trustees in the following areas:

i) Grants – members of our five research funding committees review and assess applications for grants for scientific, medical, clinical studies or translational research grants for work that will assist BHF to carry out its charitable activities. They also review the output and performance of grants throughout the lifetime of those awards.

ii) Investment – the Investment Committee recommends investment strategies and oversees investment performance in line with the BHF's aims, objectives and risk appetite.

Each operational committee operates within clearly defined delegated authority and budgetary limits set by the Board to further the strategic aims of the Charity.

Advisory communities

The BHF advisory communities cover specific areas of expertise, each designed to support BHF's strategy to 2030. Working with supporters, specialist advisers, patient representatives and other key stakeholders these groups:

- provide tailored, expert support and advice to the Board and Executive Group,
- keep the Board apprised of major issues and concerns, and
- provide a forum for stakeholder involvement and consultation to inform the BHF's work.

The advisory communities currently include as part of the formal board structure, a Retail Committee, and among other specialist advisory groups, a Technology Advisory Group, a Commercial Advisory Board and Marketing Board. Each is made up of independent experts who provide advice on our operations and insight on the wider commercial and technology environment.

Charity Governance Code

The Board supports the principles of good governance as set out in the Charity Governance Code and has reviewed and will regularly revisit the Code's key principles to support continuous improvement and ensure the highest standards of governance. As recommended by the Code, every three years the Board commissions an independent review of its performance, and in the intervening years it undertakes a self-evaluation process. This is led by the Deputy Chair, and any agreed actions are overseen by the Nominations Committee. During 2021 a self-evaluation process was carried out.

Legal structure and governance

Board of Trustees

Trustees act as the company directors of the BHF, and under charity law they have legal duties and responsibilities as Trustees.

We are pleased to welcome two new Trustees, Sir John Hood, and Dr Annalisa Jenkins, who joined the Board of Trustees this year. The Board of Trustees is grateful to all our committee members for their support during another challenging year, but our particular thanks go to Professor Sussan Nourshargh, and Professor Sir Kent Woods, our Deputy Chair, who retired from the Board of Trustees this year, having played a huge role in the direction of the BHF during their tenures.

The membership of the Board of Trustees, and their involvement on other Governance Committees is as follows:

Trustees	Year of Trustee appointment	Audit & Risk Committee	Nominations Committee	Remuneration & People Committee
Dr Doug Gurr (Chair)	2015		C	M
Dr Sarah Clarke (Deputy Chair+)	2018		M+	M+
Daryl Fielding	2017	M		
Mark FitzPatrick	2020	C		
Karen Frank	2019			
Sir John Hood	2021			
Timothy Howe QC	2018	M		
Professor John Iredale	2016			
Dr Annalisa Jenkins	2021			
Professor David Lomas	2016		M	
Professor Sussan Nourshargh	2015			
Peter Phippen	2017			
Professor Sir Munir Pirmohamed	2020			
Professor Jill Pell	2020			
Professor Sir Kent Woods (Deputy Chair*)	2015		M*	M*

Key

C	Chair
M	Member
E	Ex-Officio
+	from 12 October 2021
*	to 12 October 2021

Changes to the Board of Trustees in this financial year

- Sir John Hood joined the Board of Trustees on 26 April 2021
- Dr Annalisa Jenkins joined the Board of Trustees on 12 October 2021
- Professor Sussan Nourshargh retired on 12 October 2021
- Professor Sir Kent Woods retired on 12 October 2021

Trustee biographies are available at:
www.bhf.org.uk/what-we-do/our-people/our-trustees

Trustee recruitment, induction and training

The Nominations Committee is responsible for recruiting members of the Board of Trustees and its sub-committees. One of its key aims is to ensure a broad mix of skills, experience, knowledge and diversity including gender and ethnicity. The Nominations Committee meets regularly to review the composition of the Board of Trustees and its committees, and all new appointments are evaluated against the existing skills, experience, knowledge and backgrounds, Trustee and committee vacancies are advertised as necessary and for recent appointments the BHF has extended its search and taken advice from specialist agencies to enhance and broaden the pool of candidates. The BHF will also approach individuals thought to have the right skills.

New Trustees undertake a comprehensive induction programme and are invited to spend time with individual members of the Executive Group. This is a chance to learn about the BHF and identify opportunities to become more involved with our work. Trustees are also invited to attend regular research site visits to learn more about BHF research, and additional training and updates are provided as appropriate.

Trustees' Duties in relation to Section 172 of the Companies Act 2006

The Trustees, as company directors of the BHF, must act in accordance with a set of general duties as detailed in Section 172 of the Companies Act 2006, which includes a duty to promote the success of the company, and in doing so have regard (amongst other matters) to:

- the likely consequences of any decision in the long term,
- the interests of the company's employees,
- the need to foster the company's business relationships with suppliers, customers and others,
- the impact of the company's operations on the community and the environment, and
- the desirability of the company maintaining a reputation for high standards of business conduct.

Our governance processes

Throughout this report, we have summarised our governance framework, our values and behaviours, and how we have engaged with stakeholders during the year. The Trustee Board has considered the views and needs of key stakeholders in Board discussions and decision making. It also believes that a balance of skills, experience, knowledge and diversity in the broadest sense is vital to providing a variety of different perspectives to its discussions and enhancing the Board's decision-making. The following paragraphs are not intended to be an exhaustive list, but are illustrative of how the Trustees have fulfilled these duties during the year.

The likely consequences of any decision in the long term

BHF's long-term ambition is to see a world free from the fear of heart and circulatory disease. Our Strategy to 2030 is a blueprint for achieving these goals and has informed the Board's decisions and likely consequences of these in the long term. As part of their induction, the Trustees are briefed on their role and duties, which are fulfilled partly through the governance structure detailed on pages 82–83. The Board's discussions have been informed by detailed reports on specific subjects from the Executive Team and quarterly performance reporting to provide assurance and assist the Trustees in their decision making. In addition to this, a detailed Risk Management Framework is used to identify and manage risks in all our activities.

During 2021–22 the pandemic has continued to create obstacles and we are still operating in an uncertain environment where prompt, informed decision making has been essential. The Board has continued to receive monthly operational updates, to support business-critical decisions and has undertaken a detailed review of BHF's Strategy to 2030 to assess the short and longer term impact of the pandemic on the delivery of BHF activities, and on staff, volunteers and other key stakeholders.

For further details on our Risk Management Framework and principal risks and uncertainties please refer to pages 78–81.

Legal structure and governance

Engaging with our stakeholders

Our stakeholders	How we engage with them
Patients and those affected by heart and circulatory disease It is vital that we understand the experiences, needs and priorities of those affected by heart and circulatory disease to inform our research strategy, help us identify where policy changes are most needed to improve care and to provide relevant and accessible information.	• The Board of Trustees has recognised the disproportionate effect of the pandemic on people affected by heart and circulatory diseases and is agreed that tackling health inequalities and the provision of information and support for the people who need us are critical priorities. • We regularly consult and work with patients and the public to work for better health and care. • We are using data, insights and feedback to ensure we are effectively supporting the people who need us. • We have launched a new sight-led online hub to support people living with congenital heart conditions. • This year 14 million users turned to our Covid-19 Hub for support and our Heart Helpline remains a lifeline for thousands of patients and their families. • In the past year we've held 14 online peer support events to help people feel connected to BHF and each other. • For further details on how we have engaged with patients and those affected by heart and circulatory disease please refer to pages 32–45.
Research and clinical community As the largest independent funder of cardiovascular research in the UK, supporting a thriving research community and fostering future talent is vital to our mission.	• We currently support 1,200 researchers across the UK, and the research training and fellowships we provide are a key part of BHF's prominent contribution to the UK cardiovascular research effort. • Our focus in 2021–22 has been to use our partnerships and engage with other international research funders to coordinate multinational clinical trials to maximise public investment and patient benefit. • We also continued to support a positive research culture and promote a fair and open research ecosystem by implementing the principles of the San Francisco Declaration on Research Assessment (DORA). • For further details on the impact on the BHF's research please refer to pages 12–31.
Our supporters Building lasting relationships with our supporters is vital to our long-term mission. We need to provide the right opportunities for people to support us and the level of customer service they would expect.	• Following months of closures and cancellations we were able to reopen our shops and relaunch some of our biggest fundraising events this year. • This year's brand re-boot is another step in the evolution of the BHF brand and will help us to inspire more people to help us turn science fiction into reality. • We have invested in technology to support our retail business and customer services to provide the best possible supporter experience. • We would like to thank all our supporters for their continued support, donations and tireless fundraising this year. • For further detail on our fundraising activities please refer to pages 46–57.

Engaging with our stakeholders (continued)

Our stakeholders	How we engage with them
Our staff and volunteers As an organisation we know we need to recruit, develop and support the best people to help us achieve our goals. In order to do this we need to understand what support, information and development opportunities our people need from us.	• We strive to promote a culture whereby everyone at the BHF is treated equally, with respect, is safe from abuse or harm and is able to give of their best. • We undertake regular staff and volunteer engagement surveys to understand and take into account any concerns. • This year we provided additional wellbeing support to colleagues with regards to the impact of Covid-19 and the ongoing conflict in the Ukraine. • We introduced our FlexiblyConnected programme to support colleagues at work and at home as we explore new and alternative ways of working. • We also launched a new volunteer platform, MyVolunteer which helps us care for our volunteers and provide the best possible volunteering experience. • Our Kaleidoscope and affinity groups provide a forum for raising awareness, listening and improving our understanding of the experiences of different groups at BHF, and outputs from these groups are fed back to the Remuneration & People Committee. • The Board is assisted in fulfilling its governance duties in relation to staff and volunteers by the Remuneration & People Committee, and part of this Committee's remit is to review regular reports on safeguarding, learning and development, employee and volunteer engagement and initiatives relating to wellbeing and safety, equality, diversity and inclusivity. Any concerns around culture or policy or people compliance are brought to the attention of the Trustees. • For further details on how we engage with our staff and volunteers please see pages 90–91.
Policy and key opinion leaders Strong and effective relationships with policy makers and other medical research charities is key to furthering our objectives in support of the prevention, treatment and care of heart patients.	• Throughout the year, the BHF has continued to develop and maintain strong and effective relationships with communities, key opinion leaders, the NHS and Government in each of the four Nations to further our objectives in support of the prevention, treatment and care of heart patients. • We have also worked closely with other medical research charities in pursuing shared policy outcomes.

Legal structure and governance

Engaging with our stakeholders (continued)

Our stakeholders	How we engage with them
Business relationships with suppliers, customers, partners, landlords and others The delivery of our charitable aims and objectives is dependent on a range of relationships with universities, suppliers and other business partners.	• We are extremely grateful for the advice and direct financial support received from our business partners, landlords and other service providers during the past year. The Board has encouraged management to develop and maintain trusted partnerships with each and expects our partners to be aligned with the values of the BHF. We seek always to act with honesty and integrity in all that we do to deliver the best value for money in our goal to beat heartbreak forever. • Partner organisations are expected to comply with the requirements of any professional standards, or trade bodies, depending on their activities, and all applicable laws, statutes, regulations and codes of practice relating to anti-bribery and anti-corruption. • The BHF has a zero-tolerance approach to modern slavery and we strive to act ethically and with integrity in all of our business dealings and relationships to ensure that modern slavery is not taking place anywhere in our own business or in any of our supply chains. We will also ensure that our approach to this issue is clear to our partner organisations. The BHF also has a zero-tolerance policy on harm and abuse and this year has added provisions in relation to Safeguarding in our Code of Practice for suppliers. • Through building trusted partnerships and working with others we believe great progress can be made towards our vision of a world free from the fear of heart and circulatory diseases. In 2021–22 some of these partnerships have provided financial and practical support through a range of initiatives aimed at reducing any Covid-19 impacts. • Full details of our policies in relation to our business relationships with companies, suppliers, customers and others, including our supplier Terms & Conditions, statement on Modern Slavery, and Feedback & Complaints policy can be found at: www.bhf.org.uk/what-we-do/our-policies
Sustainability and Environmental Impact The threats posed by climate change, pollution and resource depletion will affect us all, and we recognise the need to address this threat through effective and ethical decision making.	• We have a programme of activities in support of our new Sustainability Policy with a series of commitments to ensure that our environmental, social and economic impact are considered. • Further information on our sustainability initiatives can be found on pages 68–69, and our Streamlined Energy and Carbon Reporting on pages 76–77.

Public benefit

In reviewing our aims and objectives, and planning future activities, the Trustees have taken into account the Charity Commission's general guidance on public benefit. The Trustees always ensure that the activities undertaken are in line with the charitable objectives and aims of the BHF.

As highlighted earlier in this report, some of our health promotion, care and communications initiatives are specifically targeted at those population groups most at risk of heart and circulatory diseases, due to ethnic, social or economic factors. However, by their very nature, all our charitable activities are undertaken for the benefit of the public.

BHF Fundraising

The BHF is registered with the Fundraising Regulator and we, along with all fundraising partner organisations are committed to meeting the standards set out in the Code of Fundraising Practice:

www.fundraisingregulator.org.uk/code

Fundraising activity and overall strategy is regularly addressed by the Board of Trustees in exercise of their duties under CC20 Charity Commission guidance. They, together with our Audit and Risk Committee, monitor significant risks and ensure they are being properly addressed.

Fundraising on our behalf

Public fundraising including doorstep, private site and community based activities resumed following the Covid-19 pandemic in line with UK Government guidelines. Additional safety measures were implemented, such as the requirement to maintain social distancing and the wearing of masks, together with innovations like a contactless donation route for doorstep and private site fundraisers. We will continue to monitor all public fundraisers through our dedicated mystery shopping, training evaluation, doorstep shadowing and telephone call monitoring programme in line with the requirements set out in The Charities (Protection and Social Investment) Act 2016. Since our Fundraising activities were resumed in April 2021 we have continued to monitor that BHF fundraising staff deliver formal fundraising training to all agency partners throughout the year.

Vulnerable people

The BHF recognises our responsibility and are committed to acting appropriately and with compassion when engaging with vulnerable or potentially vulnerable people. Our Vulnerable Supporters Policy applies to all our fundraising activities and ensures that we are protecting the public from undue pressure to donate, as well as identifying people in vulnerable circumstances.

Complaints

From the millions of contacts we have with supporters each year, in 2021–22 we received 574 complaints about our fundraising practices (2020–21: 139 complaints). We take all complaints very seriously and respond according to our Complaints Policy. We received no complaint investigations via the Fundraising Regulator in 2021–22 (2021: nil).

Our Board of Trustees receives the 'Voice of the Customer Report' which includes results of the latest online surveys in order to understand the views and concerns of our customers and supporters across all our activities.

Grant award policies

We only award science research grants after a formal, detailed application process and a comprehensive peer review. For in-depth information on research expenditure, the grant-award process and application guidelines, visit:

www.bhf.org.uk/for-professionals/information-for-researchers

Legal structure and governance

Executive Group

The Executive Group is responsible for the day-to-day running of the BHF under authority delegated to it by the Board of Trustees. It proposes to the Board of Trustees where the BHF should invest its time, money and expertise, including an annual discussion of strategy supported by financial forecasts. It proposes an annual operating budget to the Board of Trustees for approval and monitors financial performance accordingly. The Executive Board members are detailed below:

Chief Executive
Dr Charmaine Griffiths

Medical Director
Professor Sir Nilesh Samani

Chief Technology Officer
Alex Duncan (from May 2022)

Chief Financial Officer
Martin Miles FCA

Chief Marketing and Fundraising Officer
Claire Sadler

Chief People Officer
Kerry Smith

Commercial Director
Mike Taylor

Departed during the year

Chief Technology Officer
Ursula Dolton (to December 2021)

Company Secretary

Head of Legal & Governance and Company Secretary
Sam Ryan

Executive Group biographies are available at:

www.bhf.org.uk/what-we-do/our-people/our-executive-group

Our staff and volunteers

None of our life-saving work would be possible without the dedication and hard work of our volunteers, supporters and staff.

At 31 March 2022 we had a paid workforce of 4,117, spread right across the UK (3,341 of whom are employed in our retail operation). The full-time equivalent headcount is detailed within note 4 to the accounts on page 107.

To many people across the UK, volunteers are the public face of our charity. We are extremely grateful to our c.16,500 retail and fundraising volunteers for their continued support during this challenging period. Throughout the year we have continued to respond to the evolving Covid-19 situation swiftly and decisively placing the health, safety and wellbeing of our staff and volunteers at the forefront of our decision-making.

As a listening organisation we've used colleague feedback to steer our approach every step of the way especially as we've started to welcome colleagues back to our locations as restrictions have eased and we've navigated new ways of working for staff. We've taken a holistic approach; looking at space, ways of working, how we lead and manage, technology for the future and how we create a new, agile and vibrant way of working that is uniquely BHF.

Increased communication and engagement with staff and volunteers as we began to emerge from the pandemic has helped to ensure that organisational trust and dedication have remained high. We've continued to foster a culture that empowers colleagues to Live well and Work well through a range of support, including a comprehensive programme of online webinars, promotion of external sources of support and encouraging social connection through our coffee chat initiatives. We continued to expand our Mental Health Ambassador network and promote our Employee Assistance Providers accordingly.

The BHF is committed to employment policies which follow best practice, based on equal opportunities for all employees, irrespective of gender, ethnicity, religion, sexual orientation, age, employment status, disability or marital status.

The BHF gives full and fair consideration to applications for employment from people with disabilities, having regard to their particular aptitudes and abilities.

All reasonable adjustments are made for the continued employment and training, career development and promotion of people with disabilities employed by the BHF. We do not condone or tolerate any form of discrimination in our recruitment or employment practices. All employees and applicants are treated on merit, fairly, with respect and dignity, recognised as individuals and valued for the contribution they make, provided fair and equal access to training, development, reward and progression opportunities, and are accountable for the impact of their own behaviour and actions.

During the year, regular communications are provided to our staff and volunteers, including updates on the Charity's progress. In addition, one of our values is to encourage our staff and volunteers to speak out and express their views and opinions. Staff and volunteer forums are used, as well as engagement surveys and regular all-staff updates. Employee suggestion schemes, webchats with directors and senior managers, and informal opportunities to express views as well as our 'concern at work' email for any anonymous reporting, support the priority for open and transparent engagement at all times. All new employees attend BHF induction events attended by our Chief Executive and members of our Executive Group.

Executive pay

We have a detailed Reward Policy, which sets out our guiding principles for reward at the BHF. The remuneration for the Executive Group is set, monitored and reviewed by the Remuneration & People Committee, which is chaired by an independent senior human resources specialist.

The BHF is committed to a policy of equal pay and aims to ensure that salaries reflect the knowledge, skills, behaviours and capabilities required for satisfactory performance in each role whilst also demonstrating appropriate use of charitable donations. Salaries are benchmarked against the voluntary sector and, where appropriate, other relevant job markets. More information on our executive pay policy can be found on our website at:

www.bhf.org.uk/what-we-do/our-policies/our-statement-on-senior-salaries

The annual pay review, awarded on 1 April of each year was not given in 2020–21, but reinstated for 2021–22 and was paid later on 1 October 2021. Our Chief Executive's annual salary at 31 March 2022 was £198,450.

Gender and ethnicity pay gap

The average gender pay gap at the BHF is 3.7% in favour of men, compared to a national average of 15.4%. We continue to dedicate our organisation to taking more steps to narrow the gap even further, and we're proud to be an organisation where over half of our senior leaders are women. As part of our diversity and inclusion commitments we have continued to report on our ethnicity pay gap. Our mean ethnicity pay gap is 7.6% in favour of our colleagues from ethnic minority backgrounds, although this was mainly attributable to a number of higher paid roles within the Technology Directorate being filled by people from ethnic minority backgrounds. Creating a more diverse workforce, including at senior leadership level, remains a priority. The steps we are taking will help make progress towards closing both our ethnicity and gender pay gaps, particularly by removing potential recruitment barriers. Some of the key actions we are continuing to implement include:

- All our job advertisements have been screened to ensure there is no bias in the language used.
- We provide recruitment skills training for hiring managers to minimise the impact of unconscious bias.

Legal structure and governance

- We encourage hiring managers to seek out diversity by demonstrating how it aids team innovation, productivity and creativity.
- Our career site has been refreshed with an inclusivity page detailing our commitments and during 2021 new Accessibility software was launched on the BHF's career site.
- Our recruitment system has been enhanced to facilitate anonymous CVs.

Trustees' indemnity

As permitted by the Articles of Association, each of the Trustees has the benefit of an indemnity which is a qualifying third-party indemnity as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The Company also purchased and maintained throughout the financial year Trustees' and Officers' liability insurance in respect of itself and its Trustees.

Patron

We were deeply saddened by the death of His Royal Highness The Prince Philip, Duke of Edinburgh last year and honoured to have been invited to join members of the Royal Family and representatives of His Royal Highness's many charities and interests at a Service of Thanksgiving at Westminster Abbey in March this year. We remain extremely grateful to have had Prince Philip's continued support as patron of the BHF since the Charity was founded in 1961. Prince Philip was a remarkable advocate for the power of research to save and improve lives from heart and circulatory diseases and his contribution will forever be remembered.

Auditors

PricewaterhouseCoopers LLP have expressed their willingness to continue to act as auditors.

The Trustees' Report, including the Strategic Report, was approved by the Board of Trustees on 9 August 2022.

Sam Ryan
Head of Legal & Governance and Company Secretary
9 August 2022

Statement of Trustees' responsibilities

The Trustees (who are also directors of the British Heart Foundation for the purposes of company law) are responsible for preparing the Trustees' Report (including the Strategic Report) and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', and applicable law (which together form United Kingdom Generally Accepted Accounting Practice). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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 Statement of Recommended Practice: Accounting and Reporting by Charities (2019),
- make judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, and disclose with reasonable accuracy at any time the financial position of the charitable company and the group, 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 charitable company and the group, 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 charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Dr Douglas Gurr
Chair
9 August 2022

Independent auditors' report to the members and Trustees of British Heart Foundation

Report on the audit of the financial statements

Opinion

In our opinion, British Heart Foundation's group financial statements and parent charitable company financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2022 and of the group's incoming resources and application of resources, including its income and expenditure, and of the group's cash flows, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of The Charities Accounts (Scotland) Regulations 2006 (as amended).

We have audited the financial statements, included within the Annual Report and Accounts (the "Annual Report"), which comprise: the group and charity balance sheets as at 31 March 2022; the group statement of financial activities (incorporating a group income and expenditure account), the group statement of cash flows for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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 group and parent charitable company's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's and parent charitable company's ability to continue as a going concern.

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

With respect to the Strategic Report and Trustees' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 and The Charities Accounts (Scotland) Regulations 2006 (as amended) require us also to report certain opinions and matters as described below.

Strategic Report and Trustees' Report

In our opinion, based on the work undertaken in the course of the audit the information given in the Trustees' Report, including the Strategic Report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and the Strategic Report and the Trustees' Report have been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Strategic Report and the Trustees' Report. We have nothing to report in this respect.

Responsibilities for the financial statements and the audit

Responsibilities of the Trustees for the financial statements

As explained more fully in the Statement of Trustees' responsibilities, the Trustees are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Trustees are also responsible for such internal control as they 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 group's and parent charitable company'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 group and parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditors under section 44(1) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts 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 an auditors' report 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.

Independent auditors' report to the members and Trustees of British Heart Foundation

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the group and parent charitable company/industry, we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of The Charities Accounts (Scotland) Regulations 2006 (as amended). We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries and management bias in key accounting judgements and estimates. Audit procedures performed included:

- enquiry of management and the Trustees with regard to actual and potential fraud and non-compliance with laws and regulations;
- reviewing minutes of meetings of the Board of Trustees and the Audit and Risk Committee meetings to identify significant or unusual transactions and known or suspected instances of fraud or non-compliance with laws and regulations;
- reviewing terms and conditions of significant contracts;
- enquiry of the in-house legal team to identify material claims and litigation;
- reviewing correspondence with regulators including the Charity Commission for England and Wales and the Office of the Scottish Charity Regulator;
- understanding and evaluating management's controls in place to prevent and detect irregularities;
- testing of journal entries where we identified particular risk criteria;
- obtaining independent confirmations of cash and investment balances at the year end and testing management's year end bank reconciliations;
- reviewing accounting estimates for bias and evaluating whether circumstances producing any bias, represent a risk of material misstatement due to fraud; and
- assessing financial statement disclosures, and testing to supporting documentation, for compliance with applicable laws and regulations.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, 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 by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at:

www.frc.org.uk/auditorsresponsibilities.

This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the charitable company's members and Trustees as a body in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and the Companies Act 2006 and regulations made under those Acts (regulation 10 of The Charities Accounts (Scotland) Regulations 2006 (as amended) and Chapter 3 of Part 16 of the Companies Act 2006) and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Matters on which we are required to report by exception

Under the Companies Act 2006 and The Charities Accounts (Scotland) Regulations 2006 (as amended) we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate and proper accounting records have not been kept by the parent charitable company or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Sandeep Dhillon

(Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors

London,

9 August 2022

Group statement of financial activities for the year ended 31 March 2022

(Incorporating a Group income and expenditure account)
Company reg. number: 699547

	Note	2022 Unrestricted funds £m	2022 Restricted and endowment funds £m	2022 Total funds £m	2021 Unrestricted funds £m	2021 Restricted and endowment funds £m	2021 Total funds £m
Income from							
Donations and legacies	2	140.5	6.5	**147.0**	111.3	6.5	117.8
Charitable activities		0.3	-	**0.3**	0.1	-	0.1
Investments		2.6	-	**2.6**	2.7	-	2.7
Other income		0.1	-	**0.1**	-	-	-
Government support – Covid-19 (other)		-	-	**-**	1.8	-	1.8
Total fundraising income		143.5	6.5	**150.0**	115.9	6.5	122.4
Expenditure on							
Raising funds: donations and legacies	4	(30.2)	-	**(30.2)**	(26.4)	-	(26.4)
Investment management fees	4	(1.1)	-	**(1.1)**	(1.0)	-	(1.0)
Total fundraising costs		(31.3)	-	**(31.3)**	(27.4)	-	(27.4)
Fundraising contribution		112.2	6.5	**118.7**	88.5	6.5	95.0
Trading income	3	200.2	-	**200.2**	71.3	-	71.3
Government support – Covid-19 (trading)	3	1.5	-	**1.5**	31.6	-	31.6
Trading costs	3/4	(178.3)	-	**(178.3)**	(140.7)	-	(140.7)
Contribution from/(to) trading activities		23.4	-	**23.4**	(37.8)	-	(37.8)
Net income available for charitable purposes		135.6	6.5	**142.1**	50.7	6.5	57.2
Charitable expenditure							
Research	4	(49.2)	(13.2)	**(62.4)**	(42.2)	(7.5)	(49.7)
Healthcare Innovation	4	(24.9)	(0.4)	**(25.3)**	(23.6)	(0.9)	(24.5)
Total charitable expenditure		(74.1)	(13.6)	**(87.7)**	(65.8)	(8.4)	(74.2)
Net income/(expenditure) before gain on investments		61.5	(7.1)	**54.4**	(15.1)	(1.9)	(17.0)
Represented by							
Total income		345.2	6.5	**351.7**	218.8	6.5	225.3
Total expenditure		(283.7)	(13.6)	**(297.3)**	(233.9)	(8.4)	(242.3)
Net income/(expenditure) before gain on investments		61.5	(7.1)	**54.4**	(15.1)	(1.9)	(17.0)
Net gain on investments		14.1	-	**14.1**	46.8	-	46.8
Net income/(expenditure)		75.6	(7.1)	**68.5**	31.7	(1.9)	29.8
Other recognised gains/(losses)							
Actuarial gain/(loss) on defined benefit pension scheme	14	-	-	**-**	-	-	-
Net movement in funds		75.6	(7.1)	**68.5**	31.7	(1.9)	29.8
Reconciliation of funds							
Funds balances brought forward at 1 April	5	24.6	24.6	**49.2**	(7.1)	26.5	19.4
Total funds carried forward	5	100.2	17.5	**117.7**	24.6	24.6	49.2

There are no recognised gains or losses other than those disclosed above. All results derive from continuing operations. Gross income for the year for the parent charity is £334.2m (2021: £169.9m) and gross expenditure is £279.8m (2021: £186.9m). The notes on pages 101 to 122 form an integral part of these financial statements.

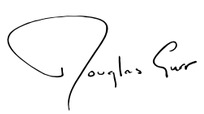
Balance sheets as at 31 March 2022

Company reg. number: 699547

	Note	Group 2022 £m	Group 2021 £m	Charity 2022 £m	Charity 2021 £m
Fixed assets					
Tangible assets	6	**30.8**	37.6	**30.8**	37.6
Investments	7	**158.8**	149.4	**158.8**	149.4
Total fixed assets		**189.6**	187.0	**189.6**	187.0
Current assets					
Inventories		**6.0**	6.5	**-**	-
Debtors	8	**111.2**	93.9	**127.1**	102.5
Cash and cash equivalents		**127.0**	105.2	**115.6**	102.7
Total current assets		**244.2**	205.6	**242.7**	205.2
Creditors and provisions: amounts falling due within one year					
Provision for research and other grant awards	9	**(94.7)**	(106.2)	**(94.7)**	(106.2)
Other creditors	10	**(29.2)**	(19.8)	**(27.7)**	(19.4)
Total current liabilities		**(123.9)**	(126.0)	**(122.4)**	(125.6)
Net current assets		**120.3**	79.6	**120.3**	79.6
Total assets less current liabilities		**309.9**	266.6	**309.9**	266.6
Creditors and provisions: amounts falling due after more than one year					
Finance lease creditor		**(0.7)**	(0.3)	**(0.7)**	(0.3)
Provision for research and other grant awards	9	**(187.3)**	(212.7)	**(187.3)**	(212.7)
Provision for liabilities and charges	11	**(4.2)**	(4.4)	**(4.2)**	(4.4)
Total provisions due after more than one year		**(192.2)**	(217.4)	**(192.2)**	(217.4)
Net assets excluding pension liability		**117.7**	49.2	**117.7**	49.2
Defined benefit pension liability	14	**-**	-	**-**	-
Net assets including pension liability		**117.7**	49.2	**117.7**	49.2
Represented by:					
Endowment funds	5	**7.5**	7.5	**7.5**	7.5
Restricted income funds	5	**10.0**	17.1	**10.0**	17.1
Unrestricted funds					
General funds	5	**100.2**	24.6	**100.2**	24.6
Pension reserve	14	**-**	-	**-**	-
Total unrestricted funds		**100.2**	24.6	**100.2**	24.6
Total funds		**117.7**	49.2	**117.7**	49.2

The Charity's net movement in funds for the year was an increase of £68.5m (2021: increase of £29.8m).

The financial statements on pages 98 to 122 were approved by the Board of Trustees on 9 August 2022, and signed on its behalf by:



Dr Douglas Gurr
Chair

Mark FitzPatrick
Chair of the Audit & Risk Committee

Members of the Board of Trustees

The notes on pages 101 to 122 form an integral part of these financial statements.

Group statement of cash flows for the year ended 31 March 2022

	2022 £m	2021 £m
Cash flows from operating activities		
Net cash flow from operating activities	**18.3**	(45.9)
Cash flows from investing activities		
Investment income	**2.6**	2.7
Purchase of investments	**(63.2)**	(47.4)
Proceeds from sale of investments	**67.9**	134.1
Purchase of tangible fixed assets	**(3.7)**	(7.2)
Proceeds from sale of tangible fixed assets	**0.2**	0.1
Net cash inflow from investing activities	**3.8**	82.3
Cash flows from financing activities		
Repayment of obligations under finance leases	**(0.3)**	-
Net increase in cash and cash equivalents	**21.8**	36.4
Cash and cash equivalents at 1 April	**105.2**	68.8
Cash and cash equivalents at 31 March	**127.0**	105.2
Reconciliation of net cash flow from operating activities:		
Net income	**68.5**	29.8
Add/(less):		
Depreciation	**11.0**	9.5
(Decrease)/increase in provision for impairment of fixed assets	**(0.2)**	0.1
Loss on disposal of fixed assets	**0.2**	0.2
Investment income	**(2.6)**	(2.7)
Net gain on investments	**(14.1)**	(46.8)
Decrease/(increase) in inventories	**0.5**	(0.4)
(Increase) in debtors	**(17.3)**	(1.9)
Increase/(decrease) in creditors	**9.4**	(4.7)
(Decrease)/increase in provisions for liabilities and charges	**(0.2)**	0.1
Decrease in provision for research grant and other awards	**(36.9)**	(29.1)
Net cash inflow/(outflow) from operating activities	**18.3**	(45.9)

Analysis of changes in net debt

	at 1 April 2021	Cash flows	New Finance leases	Other non-cash changes	As at 31 March 2022
Cash and cash equivalents					
Cash	19.1	6.1	-	-	**25.2**
Short term deposits	86.1	15.7	-	-	**101.8**
Cash and cash equivalents	105.2	21.8	-	-	**127.0**
Borrowings					
Finance leases	(0.5)	0.3	(0.7)	(0.1)	**(1.0)**
Total	104.7	22.1	(0.7)	(0.1)	**126.0**

The notes on pages 101 to 122 form an integral part of these financial statements.

Notes to the accounts

1. Accounting policies

Statement of compliance

The Group and Charity financial statements have been prepared in accordance with the Statement of Recommended Practice: 'Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)' (SORP) issued on 2 October 2019 and the 'Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' (FRS 102). They also comply with the reporting requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and the Charities Act 2011. The BHF constitutes a public benefit entity as defined by FRS 102.

Basis of preparation

The Group and Charity financial statements have been prepared on a going concern basis (see below), under the historical cost convention, as modified by the revaluation of listed investments. The principal accounting policies applied in the preparation of the Group and Charity financial statements are set out below. These policies have been consistently applied to all the years presented.

Going concern

In determining the appropriate basis of preparation of the financial statements for the year ended 31 March 2022, the Trustees are required to consider whether the BHF can continue in operational existence for the foreseeable future.

The Trustees have reviewed our financial position and financial forecasts, taking into account the levels of investment reserves and cash, and the systems of financial control and risk management. As a result of this review, the Trustees believe that we are well placed to manage operational and financial risks successfully. Accordingly, the Trustees have a reasonable expectation that the Charity and the Group have adequate resources to continue in operational existence for the foreseeable future, being a period of at least 12 months from the approval of the financial statements. As a consequence, they continue to support the going concern basis in accounting in preparing the annual accounts.

Reporting period

The financial statements for the year ended 31 March 2022 incorporate the trading results of our Retail operations for the 52 week period ended 26 March 2022 (2021: 52 week period ended 27 March 2021).

Basis of consolidation

The financial statements of the BHF and its subsidiary companies are consolidated, on a line-by-line basis, to produce the Group financial statements. The consolidated entity is referred to as 'the Group'. The Charity has taken advantage of the exemption in section 408 of the Companies Act from disclosing its individual statement of financial activities.

Statement of cash flows

The Charity has taken advantage of the exemption in FRS 102 from preparing a statement of cash flows, on the basis that it is a qualifying entity and the Group statement of cash flows included in these financial statements includes the cash flows of the Charity.

Income

Income is recognised and included in the statement of financial activities when the Group has entitlement to the income, it is probable that the income will be received and the amount can be measured reliably. Income received relating to future accounting periods is deferred and recognised as a creditor within the balance sheet.

- **Donations** are recognised when income has been received. Gift Aid income on donations is accrued when there is a valid declaration from the donor.
- **Retail income** is recognised at point of sale. Goods donated for sale are included as income at the point of sale. Gift Aid income claimed under the UK Retail Gift Aid scheme is estimated and accrued at the point of sale.
- **Legacy income** is recognised in the statement of financial activities when the BHF has entitlement to the income, receipt is probable and the income can be reliably measured. For the majority of legacies, entitlement is determined when probate has been granted. Where the BHF has been notified of a legacy but probate information is not available or probate is not required to execute an estate, our entitlement is estimated with consideration to the date we are notified of the legacy, our history of similar legacies and any other information available for a specific estate. Revisionary interests involving a life tenant are not recognised unless the life tenant has passed away. Income is estimated based on the best available information at the time. Where estate accounts or notification of expected income have not been received for an estate, income is estimated using a portfolio approach based on historical experience of income from similar legacies. Historical legacies of a material value are excluded from our legacy portfolio valuation model.
- For **event income**, entitlement is counted at the date of the event. Where income is received in advance, recognition is deferred and included in creditors and where entitlement arises before income is received, the income is accrued.
- Income from **government grants**, is recognised when the Charity has entitlement to the funds and any performance conditions attached to the grants have been met.
- **Investment income:** interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity. Dividends are recognised once the dividend has been declared and the right to receive payment has been established.

Notes to the accounts

- **Gifts in kind and donated services** are included in income and expenditure, if a value can be reliably measured, at the estimated value to the Charity. In accordance with the Charities SORP (FRS 102), no amounts are included in the financial statements for services donated by volunteers, including professional services provided directly by volunteers.

Expenditure

Expenditure is recognised when there is a legal or constructive obligation committing the Group to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds (donations and legacies) comprise costs incurred in generating donation and legacy income, including fundraising staff costs and fundraising marketing costs.
- Trading costs comprise costs associated with operating our Retail operations together with costs of running trading activities conducted to generate fundraising income, such as events and lottery costs.
- Charitable expenditure includes costs of grant awards and other direct costs incurred towards achieving the BHF's charitable objectives. Grant expenditure is recognised in the year of award and when communicated to recipient in line with the SORP (see 'awards' for more detail on individual grant types).

Direct costs, including directly attributable salaries, are allocated on an actual basis to each expenditure heading.

Shared costs are allocated, where appropriate, across different expenditure headings. It has been estimated that 6% (2021: 6%) of the content of our fundraising material provides educational information that furthers the BHF's charitable objectives. Accordingly 6% of costs in generating fundraising material have been allocated to charitable expenditure (2021: 6%).

Governance costs relate to the management of the BHF's assets, organisational administration and compliance with constitutional and statutory requirements. Support costs are costs incurred which are not directly attributable to our charitable, fundraising or retail activities, including for example head-office finance, human resources and legal costs. Governance and support costs have been allocated to expenditure headings on the basis of time spent.

Costs arising from service contracts to use cloud-based software are recognised as an expense in the Statement of Financial Activities.

Irrecoverable VAT is included within the expense items to which it relates.

Awards

Grants awarded are included within charitable expenditure when the award of the grant has been communicated to the recipient.

Grants awarded are commitments by the BHF to reimburse grant recipients for expenditure incurred, up to the value of the grant award. Grant payments are made to recipients retrospectively when invoiced by the recipient and when supporting evidence of costs incurred has been provided. Grants are recognised as a provision, reflecting the uncertainty of the timing and value of payment for grants. To calculate the grants award provision, the timing and value of grant payments is estimated using a portfolio approach based on historical experience of similar grant awards. The expected underspend against award value reflected within the grant provision range from zero to 13.4% of award value and at 31 March 2022 reflects 6.9% (2021: 7.0%) of the grant award value for open grants.

All grant provisions in excess of one year are discounted to net present value. The discount rate used to determine the net present value is calculated with reference to UK Gilt yields at the balance sheet date, weighted to reflect the expected phasing of future grant payments. The discount rate applied at 31 March 2022 was 1.37% (2021: 0.19%).

Chairs of BHF Professors

Awards are subject to a quinquennial site visit and review. For new chairs, an initial five-year award is recognised in the financial statements, with a further five years disclosed as a contingent liability and recognised as a provision in the financial statements only on satisfactory completion of the quinquennial site visit and review. For chairs awarded before this policy changed, a contingent liability is recognised from the end of the current five-year award up to the date of retirement.

Programme grants

Awards run initially for five years with a two-and-a-half-year review and can be extended for a further period of five years subject to Committee approval. On the basis of experience, it is assumed that the overwhelming majority of applicants will be successful at the mid-term review and therefore provision is made in the financial statements for expected future payments required to settle BHF's five year commitment.

Other Research grants

Where grants are conditional upon the successful achievement of project milestones the total award value is disclosed as a contingent liability and expected payments to the next milestone performance review are recognised as a grant provision in the financial statements. For unconditional grants, provision is made in the financial statements for expected future payments required to settle grant awards.

Healthcare Innovation grants

Grants are made in furtherance of the BHF's objective to work with patients and the public for better health and care. On award of a grant, provision is made in the financial statements for the expected future payments required to settle the grant award.

Fund accounting

Unrestricted funds comprise funds that are available for use at the Trustees' discretion in furtherance of the BHF's objectives. Restricted funds are subject to restrictions imposed by the donor. Endowment funds, which are permanent, represent amounts for which the capital must be retained and invested. Restricted and endowment funds assets are held as investments, pooled together with general reserve investments, until expenditure is incurred.

Tangible fixed assets

Tangible assets are stated at cost which includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is calculated on a straight line basis. The costs of fixed assets are written off over their estimated useful lives at the following rates:

Freehold property:
over 50 years

Short leasehold property:
over the life of the lease

Shop fittings:
over 7 years

Plant, equipment and vehicles:
over 3–4 years

IT equipment and software:
over 3–5 years.

The BHF only capitalises items costing more than £1,000. However, if components of equipment (e.g. office furnishings or personal computers) are acquired with individual unit costs below the capitalisation threshold but with collective costs exceeding £1,000 and anticipated asset lives in excess of two years, then these groups of assets are collectively capitalised at the time of purchase. The holding values and estimated useful lives of assets are regularly reviewed for impairment and where deemed appropriate, are written down.

Investments

Investments are a form of basic financial instrument and are initially recognised at transaction value and subsequently measured at fair value as at the balance sheet date using the closing market bid price. The statement of financial activities includes the net unrealised gains and losses arising on revaluation and realised gains and losses arising from disposals throughout the year. Realised gains and losses are calculated as the difference between sale proceeds and the opening carrying value or the purchase value if acquired in the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and the opening carrying value or purchase value if acquired in the financial year.

Foreign currency

Foreign currency transactions are recorded at the exchange rate at the time of the transaction. Foreign currency balances are translated into sterling at the exchange rate at the balance sheet date. Resulting gains or losses are included in the statement of financial activities.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, cash held in current accounts with UK banks and readily realisable short term fixed interest investments managed on behalf of the BHF by Royal London Asset Management Limited.

Inventories

Inventories purchased for sale are valued on a weighted average cost basis and carried at the lower of cost and net realisable value. Provision is made to reduce carrying values to net realisable value for slow moving, obsolete and defective stock. The provision at 31 March 2022 was £0.4m (2021: £0.4m). Inventories does not include goods donated for sale as it is impractical to measure the fair value of these donated items reliably.

Pension costs

The BHF's defined benefit scheme was closed to future accrual on 31 May 2016. The BHF employee costs include the net pension finance income or costs, together with the expenses of running the Scheme. Actuarial gains and losses are recognised immediately on the face of the statement of financial activities. Where the pension scheme valuation shows a net deficit, this is reported separately on the face of the balance sheet and within reserves. Where the valuation shows a net surplus, an asset ceiling is applied to the extent that future economic benefits are not available to the Charity in the form of a reduction in future contributions or a cash refund. The detailed assumptions relating to the valuation of the defined benefit scheme can be found in note 14.

For defined contribution schemes, the amount charged to the statement of financial activities for pension costs is the total contributions payable in the year. This amount is allocated to expenditure headings and funds on the same basis as staff costs, reflecting the activities performed by staff.

Operating leases

Rents payable under operating leases are charged to the statement of financial activities on a straight-line basis over the lease term. Benefits received as a lease incentive are credited to the statement of financial activities, to reduce the lease expense, on a straight-line basis over the lease term.

Finance leases

A lease is classified as a finance lease if it transfers substantially all of the risks and rewards of ownership of the leased asset to the Group. Assets acquired under finance leases are reported within fixed assets and are capitalised when acquired at fair value or, if lower, at the present value of the minimum lease payments. These assets are subsequently depreciated over the shorter of the estimated useful economic life of the asset or the lease term. The payment obligations arising from the future lease payments are discounted and recorded as a liability in the balance sheet.

Taxation

As a registered charity the BHF is entitled to certain exemptions from corporation tax on profits from investments and any trading activities carried on in furtherance of the Charity's primary objectives.

Notes to the accounts

The subsidiary companies make qualifying donations of all taxable profits to the BHF and thus do not incur corporation tax. Costs are recorded net of recoverable VAT as the Group is able to reclaim a proportion of VAT paid, because of its trading activities, using the partial exemption method.

Significant areas of estimation and judgement

The preparation of the financial statements requires judgements, estimations and assumptions to be made that affect the reported values of assets, liabilities, revenues and expenses. The nature of estimation and judgement means that actual outcomes could differ from expectation.

Critical accounting judgements

In the event that the FRS 102 valuation of the defined benefit pension scheme identifies a net surplus, judgement is applied regarding the extent to which any such surplus is available to the BHF in the form of a reduction in future contributions or a cash refund. Where such a surplus is not deemed available to the BHF, an asset ceiling is applied, as further discussed in note 14.

Sources of estimation uncertainty

- Accrued legacy income is estimated based on the best information available at the balance sheet date. Historical average legacy income is used to provide an estimated valuation where no specific information is available. An increase/(decrease) to the average legacy value of 5% would result in an increase/(decrease) to accrued legacy income of £0.4m (0.4%). In calculating the accrued value of each estate we apply an estimated deduction of 5% to reflect the costs and uncertainty of administering the estate. An increase/(decrease) of 1% to the provision for legacy administration would result in an increase/(decrease) to accrued legacy income of £0.8m (0.9%).
- Grant provisions are estimated based on expected future cash flows and the expected utilisation against original award values, calculated based on historical grant payment profiles and utilisation rates. The non-current liability is then discounted based on expected future cash flows. A 1% increase/(decrease) to the utilisation rate applied to grant awards would result in a £3.8m (1.3%) increase/(decrease) in the provision for research and other grant awards. A 1% increase/(decrease) to the discount rate used would result in a £4.2m (1.5%) decrease/(increase) in the provision for research and other grant awards.
- The BHF recognises and discloses its defined benefit pension obligation in accordance with 'FRS 102– Employee Benefits'. The valuation, prepared by a qualified actuary, reflects a number of judgements and estimations including the expected return on assets, the discount rate, cost inflation and life expectancy. Changes in these assumptions have a significant effect on the value of the defined benefit pension obligation.
- Provisions for liabilities and charges (see note 11) represents the best estimate of the liability at the balance sheet date of future unavoidable lease costs in respect of loss-making stores and an estimate of the probable future costs of restoring rented properties to their required condition at the ultimate expiry of the lease. The actual liability will be dependent on future events including whether a relevant property lease is renewed on expiry. Expectations are revised at each period end until the actual liability arises, with any difference accounted for in the period in which revision is made.

2. Donations and legacies

	Unrestricted funds £m	Restricted funds £m	2022 Total funds £m
Legacies	**100.6**	**2.0**	**102.6**
Donations	**21.6**	**4.4**	**26.0**
Donations received in BHF Shops	**3.3**	**-**	**3.3**
Volunteer fundraising	**15.0**	**0.1**	**15.1**
Total income from donations and legacies	**140.5**	**6.5**	**147.0**

	Unrestricted funds £m	Restricted funds £m	2021 Total funds £m
Legacies	76.1	1.5	77.6
Donations	21.0	4.5	25.5
Donations received in BHF Shops	1.4	-	1.4
Volunteer fundraising	12.8	0.5	13.3
Total income from donations and legacies	111.3	6.5	117.8

The Charity has received notification of 340 legacies (2021: 315) with an estimated value of £9.1m (2021: £9.4m) which are not included in legacy income. This includes legacies which are subject to a life interest, legacies which have not yet been granted probate, and contentious legacies.

3. Trading activities

	Income/direct costs	Support cost allocation	2022 Total
	£m	£m	£m
Retail income*	195.3	-	195.3
Government support – Covid-19 (trading)	1.5	-	1.5
Retail costs	(172.1)	(4.1)	(176.2)
Retail net profit	24.7	(4.1)	20.6
Income from fundraising trading activities	4.9	-	4.9
Costs of fundraising trading	(2.1)	-	(2.1)
Net fundraising trading income	2.8	-	2.8
Contribution from trading activities	27.5	(4.1)	23.4
Represented by:			
Total trading income	200.2	-	200.2
Government support – Covid-19 (trading)	1.5	-	1.5
Total trading costs	(174.2)	(4.1)	(178.3)
Contribution from trading activities	27.5	(4.1)	23.4

	Income/direct costs	Support cost allocation	2021 Total
	£m	£m	£m
Retail income*	66.2	-	66.2
Government support – Covid-19 (trading)	31.6	-	31.6
Retail costs	(135.4)	(4.3)	(139.7)
Retail net (loss)	(37.6)	(4.3)	(41.9)
Income from fundraising trading activities	5.1	-	5.1
Costs of fundraising trading	(1.0)	-	(1.0)
Net fundraising trading income	4.1	-	4.1
Contribution to trading activities	(33.5)	(4.3)	(37.8)
Represented by:			
Total trading income	71.3	-	71.3
Government support – Covid-19 (trading)	31.6	-	31.6
Total trading costs	(136.4)	(4.3)	(140.7)
Contribution to trading activities	(33.5)	(4.3)	(37.8)

*2022 includes income of £49.0m (2021: £16.1m) representing donations from our supporters on which Gift Aid has been claimed from sale of goods through the Retail Gift Aid Programme.

4. Gross expenditure

	Awards (note 9)	Staff costs	Other direct costs	Support costs allocated	Total 2022
	£m	£m	£m	£m	£m
Expenditure on raising funds					
Costs of raising funds	-	17.2	9.4	3.6	30.2
Investment management fees	-	-	1.1	-	1.1
Total fundraising costs	-	17.2	10.5	3.6	31.3
Expenditure on trading activities					
Retail costs	-	66.5	105.6	4.1	176.2
Other trading costs	-	-	2.1	-	2.1
Total trading costs	-	66.5	107.7	4.1	178.3
Expenditure on charitable activities					
Research	59.7	1.3	0.6	0.8	62.4
Healthcare Innovation	(0.6)	4.1	18.0	3.8	25.3
Total charitable expenditure	59.1	5.4	18.6	4.6	87.7
Support cost allocated	-	9.8	2.5	(12.3)	-
Total expenditure	59.1	98.9	139.3	-	297.3

	Awards (note 9)	Staff costs	Other direct costs	Support costs allocated	Total 2021
	£m	£m	£m	£m	£m
Expenditure on raising funds					
Costs of raising funds	-	18.0	4.6	3.8	26.4
Investment management fees	-	-	1.0	-	1.0
Total fundraising costs	-	18.0	5.6	3.8	27.4
Expenditure on trading activities					
Retail costs	-	65.9	69.5	4.3	139.7
Other trading costs	-	-	1.0	-	1.0
Total trading costs	-	65.9	70.5	4.3	140.7
Expenditure on charitable activities					
Research	47.0	1.2	0.6	0.9	49.7
Healthcare Innovation	(0.1)	6.4	14.2	4.0	24.5
Total charitable expenditure	46.9	7.6	14.8	4.9	74.2
Support cost allocated	-	9.0	4.0	(13.0)	-
Total expenditure	46.9	100.5	94.9	-	242.3

Support costs included in gross expenditure

The BHF adopts a policy of allocating costs to the respective cost headings throughout the year, and this allocation includes support costs where they are directly attributable.

Support costs are allocated to activities on a basis relevant to the nature of the underlying cost, including headcount, time spent or in proportion to resources used.

Notes to the accounts

4. Gross expenditure (continued)

		Charitable expenditure		Total
Analysis of support costs	**Fundraising**	**Trading**	**Research**	**Healthcare Innovation**	**2022**
	£m	**£m**	**£m**	**£m**	**£m**
CEO, strategy and legal	**0.4**	**0.2**	**0.1**	**0.6**	**1.3**
Information technology	**1.0**	**2.5**	**0.2**	**1.2**	**4.9**
Finance, risk and procurement	**0.8**	**0.8**	**0.2**	**0.6**	**2.4**
Human resources	**1.1**	**0.4**	**0.3**	**1.2**	**3.0**
Facilities management	**0.1**	**0.1**	**-**	**0.1**	**0.3**
Governance costs	**0.2**	**0.1**	**-**	**0.1**	**0.4**
Total Support Costs	**3.6**	**4.1**	**0.8**	**3.8**	**12.3**

		Charitable expenditure		Total
Analysis of support costs	Fundraising	Trading	Research	Healthcare Innovation	2021
	£m	£m	£m	£m	£m
CEO, strategy and legal	0.4	0.4	0.1	0.6	1.5
Information technology	1.0	2.4	0.2	1.2	4.8
Finance, risk and procurement	0.9	0.8	0.3	0.7	2.7
Human resources	1.2	0.5	0.3	1.3	3.3
Facilities management	0.1	0.1	-	0.1	0.3
Governance costs	0.2	0.1	-	0.1	0.4
Total Support Costs	3.8	4.3	0.9	4.0	13.0

	2022	2021
Support costs are made up of:	**£m**	£m
Staff costs	**9.8**	9.0
Other costs	**2.5**	4.0
Total Support Costs	**12.3**	13.0

4. Gross expenditure (continued)

Gross expenditure for the year is stated after charging/(crediting):	**2022**	2021
	£m	£m
Operating lease rentals (land and buildings)	**27.2**	28.6
Loss on disposal of fixed assets	**0.2**	0.2
Depreciation charge for the year	**11.0**	9.5
Provision for impairment	**(0.2)**	0.1
Auditors' remuneration(*)		
Audit fee	**0.1**	0.1

*Auditors' remuneration comprises £93,635 (2021: £91,748) for the audit of the charity and £26,283 (2021: £27,936) for the audit of subsidiary undertakings. In addition £10,925 (2021: £9,700) was incurred in respect of British Heart Foundation Staff Pension Scheme and £nil (2021: £6,500) in respect of non-audit services. All numbers exclude VAT.

Staff and Trustee information	**2022**	2021
Staff costs	**£m**	£m
Wages and salaries	**85.0**	86.3
Social security costs	**7.1**	7.1
Pension costs (see note 14)	**4.7**	5.0
Other benefits	**0.6**	0.8
Other staff costs	**1.5**	1.3
Total staff costs	**98.9**	100.5

Wages and salaries include redundancy costs of £0.3m (2021: £1.4m) arising from restructuring activities completed during the year. Redundancy costs are recognised and accrued when the employee has been notified of the planned redundancy.

All staff are employed by the BHF. The average number of staff, employed in the year, was:	**2022 number**	2021 number
Head office	**598**	645
Regions	**80**	90
Shops	**3,412**	3,494
Total number of staff	**4,090**	4,229
Reflecting:		
Full time staff	**2,439**	2,578
Part time staff	**1,651**	1,651
Total number of staff	**4,090**	4,229
Full time equivalent average headcount	**3,347**	3,479

The following numbers of staff have emoluments above £60,000:	**2022**	2021
Between £60,000–£70,000	**42**	47
Between £70,001–£80,000	**21**	20
Between £80,001–£90,000	**19**	24
Between £90,001–£100,000	**4**	5
Between £100,001–£110,000	**2**	3
Between £110,001–£120,000	**2**	1
Between £120,001–£130,000	**1**	2
Between £130,001–£140,000	**1**	2
Between £140,001–£150,000	**-**	1
Between £150,001–£160,000	**1**	1
Between £160,001–£170,000	**1**	-
Between £170,001–£180,000	**1**	-
Between £180,001–£190,000	**-**	1
Between £190,001–£200,000	**1**	1

The key management personnel of the BHF are the members of the Executive Group, further details of the membership and function of which is provided on page 90. The total employee benefits of the Executive Group in the year was £1.1m (2021: £1.4m).

Trustee costs: no Trustees received any remuneration for services as members of the Board of Trustees and one Trustee (2021: no trustees) were reimbursed for travelling expenses to and from meetings at a cost of £119. As permitted in the Articles of Association, Trustee indemnity insurance was purchased at a total cost of £20,430 (2021: £15,680).Total Donations from Trustees amounted to £103,310 (2021: £46,000).

Notes to the accounts

5. Statement of funds

	Note	Balance 1 April 2021	Income	Expenditure	Net investment gain	Actuarial gain	Balance 31 March 2022
		£m	£m	£m	£m	£m	£m
Endowment funds (Group and Charity)							
Chair endowment trusts	a	**7.1**	**-**	**-**	**-**	**-**	**7.1**
G M Yule bequest	b	**0.1**	**-**	**-**	**-**	**-**	**0.1**
Dr John A Gordon memorial trust	c	**0.3**	**-**	**-**	**-**	**-**	**0.3**
Total endowment funds		**7.5**	**-**	**-**	**-**	**-**	**7.5**
Restricted funds (Group and Charity)							
Research	d	**4.4**	**3.9**	**(4.1)**	**-**	**-**	**4.2**
Healthcare Innovation	e	**0.4**	**0.6**	**(0.4)**	**-**	**-**	**0.6**
Unallocated legacies	f	**2.5**	**1.0**	**(0.8)**	**-**	**-**	**2.7**
Oxford IDRM	g	**7.4**	**-**	**(5.0)**	**-**	**-**	**2.4**
Regenerative medicine	h	**2.4**	**1.0**	**(3.3)**	**-**	**-**	**0.1**
Total restricted funds		**17.1**	**6.5**	**(13.6)**	**-**	**-**	**10.0**
Unrestricted funds (Group)		**24.6**	**345.2**	**(283.7)**	**14.1**	**-**	**100.2**
Unrestricted funds (Charity)		**24.6**	**327.7**	**(266.2)**	**14.1**	**-**	**100.2**
Total Group funds		**49.2**	**351.7**	**(297.3)**	**14.1**	**-**	**117.7**
Total Charity funds		**49.2**	**334.2**	**(279.8)**	**14.1**	**-**	**117.7**

5. Statement of funds (continued)

	Note	Balance 1 April 2020	Income	Expenditure	Net investment gain	Actuarial gain	Balance 31 March 2021
		£m	£m	£m	£m	£m	£m
Endowment funds (Group and Charity)							
Chair endowment trusts	a	7.1	-	-	-	-	7.1
G M Yule bequest	b	0.1	-	-	-	-	0.1
Dr John A Gordon memorial trust	c	0.3	-	-	-	-	0.3
Total endowment funds		7.5	-	-	-	-	7.5
Restricted funds (Group and Charity)							
Research	d	2.8	4.0	(2.4)	-	-	4.4
Healthcare Innovation	e	0.7	0.6	(0.9)	-	-	0.4
Unallocated legacies	f	2.3	0.7	(0.5)	-	-	2.5
Oxford IDRM	g	7.4	-	-	-	-	7.4
Regenerative medicine	h	5.8	1.2	(4.6)	-	-	2.4
Total restricted funds		19.0	6.5	(8.4)	-	-	17.1
Unrestricted funds (Group)		(7.1)	218.8	(233.9)	46.8	-	24.6
Unrestricted funds (Charity)		(7.1)	163.4	(178.5)	46.8	-	24.6
Total Group funds		19.4	225.3	(242.3)	46.8	-	49.2
Total Charity funds		19.4	169.9	(186.9)	46.8	-	49.2

Notes

a. The Chair endowment trusts represent permanent endowments returned to the BHF by certain universities (see below). The interest earned on the money held is restricted and expended on the BHF's Chairs of Cardiovascular Medicine.

b. Income from the G M Yule bequest is available for the general activities of the charity.

c. Income from the Dr John A Gordon memorial trust fund is restricted to expenditure on Healthcare Innovation activities.

d. Income where the donor has specified that the donation should be expended on the BHF's research activities.

e. Income where the donor has specified that the donation should be expended on the BHF's Healthcare Innovation activities.

f. Restricted legacy donations are received for both research and Healthcare Innovation. In some cases we are unable to distribute funds fully according to the specific terms of the bequest in the year of receipt and expenditure takes place in future years.

g. Includes income collected towards a target of £10m to contribute to the build of a world-leading centre for stem cell technology, the Institute of Developmental and Regenerative Medicine (IDRM), at Oxford University.

h. Includes income from the Mending Broken Hearts ("MBH") 50th anniversary appeal, expended on the BHF's charitable activities.

Endowment of Chairs of BHF Professors

The BHF has 27 Chairs of BHF Professors as at 31 March 2022. Of this number, 3 universities hold endowments and 6 previously returned endowments are held on the BHF balance sheet as permanent endowment funds with the income being used to part fund the ongoing cost of the chairs.

5. Statement of funds (continued)

Analysis of Group net assets between funds

	Unrestricted funds	Restricted funds	Endowment funds	**Total**
	£m	£m	£m	**£m**
Tangible fixed assets	30.8	-	-	**30.8**
Investments	158.8	-	-	**158.8**
Current assets	226.7	10.0	7.5	**244.2**
Current liabilities	(123.9)	-	-	**(123.9)**
Long-term liabilities	(192.2)	-	-	**(192.2)**
Total net assets as at 31 March 2022	**100.2**	**10.0**	**7.5**	**117.7**

Analysis of Charity net assets between funds

	Unrestricted funds	Restricted funds	Endowment funds	**Total**
	£m	£m	£m	**£m**
Tangible fixed assets	30.8	-	-	**30.8**
Investments	158.8	-	-	**158.8**
Current assets	225.2	10.0	7.5	**242.7**
Current liabilities	(122.4)	-	-	**(122.4)**
Long-term liabilities	(192.2)	-	-	**(192.2)**
Total net assets as at 31 March 2022	**100.2**	**10.0**	**7.5**	**117.7**

Analysis of Group net assets between funds

	Unrestricted funds	Restricted funds	Endowment funds	**Total**
	£m	£m	£m	**£m**
Tangible fixed assets	37.6	-	-	**37.6**
Investments	149.4	-	-	**149.4**
Current assets	181.0	17.1	7.5	**205.6**
Current liabilities	(126.0)	-	-	**(126.0)**
Long-term liabilities	(217.4)	-	-	**(217.4)**
Total net assets as at 31 March 2021	**24.6**	**17.1**	**7.5**	**49.2**

Analysis of Charity net assets between funds

	Unrestricted funds	Restricted funds	Endowment funds	**Total**
	£m	£m	£m	**£m**
Tangible fixed assets	37.6	-	-	**37.6**
Investments	149.4	-	-	**149.4**
Current assets	180.6	17.1	7.5	**205.2**
Current liabilities	(125.6)	-	-	**(125.6)**
Long-term liabilities	(217.4)	-	-	**(217.4)**
Total net assets as at 31 March 2021	**24.6**	**17.1**	**7.5**	**49.2**

6. Tangible assets

Group and Charity	Freehold property	Short leasehold property	Shop fixtures and fittings	Vehicles	Furniture and equipment	IT equipment and software	Assets under construction	**Total**
	£m	£m	£m	£m	£m	£m	£m	**£m**
Cost								
At 1 April 2020	2.4	34.6	29.5	2.6	13.0	25.0	9.9	**117.0**
Transfers	-	-	-	-	-	13.6	(13.6)	**-**
Additions	-	0.7	1.3	-	0.4	0.5	4.6	**7.5**
Disposals	-	(1.0)	(1.0)	(0.6)	(0.3)	(5.3)	-	**(8.2)**
At 31 March 2021	2.4	34.3	29.8	2.0	13.1	33.8	0.9	**116.3**
Transfers	-	-	-	-	-	0.6	(0.6)	**-**
Additions	-	1.6	0.8	-	0.1	0.7	1.2	**4.4**
Disposals	-	(0.8)	(1.1)	(0.3)	(1.4)	(0.2)	-	**(3.8)**
At 31 March 2022	2.4	35.1	29.5	1.7	11.8	34.9	1.5	**116.9**
Accumulated depreciation and impairment								
At 1 April 2020	0.5	21.5	22.4	1.6	11.1	19.9	-	**77.0**
Depreciation charge	-	2.4	2.0	0.4	0.9	3.8	-	**9.5**
Provision for impairment	-	0.1	-	-	-	-	-	**0.1**
Disposals	-	(1.0)	(0.8)	(0.5)	(0.3)	(5.3)	-	**(7.9)**
At 31 March 2021	0.5	23.0	23.6	1.5	11.7	18.4	-	**78.7**
Depreciation charge	0.1	2.2	1.9	0.2	0.7	5.9	-	**11.0**
Provision for impairment	-	(0.2)	-	-	-	-	-	**(0.2)**
Disposals	-	(0.7)	(0.9)	(0.3)	(1.3)	(0.2)	-	**(3.4)**
At 31 March 2022	0.6	24.3	24.6	1.4	11.1	24.1	-	**86.1**
Net book values								
At 31 March 2022	1.8	10.8	4.9	0.3	0.7	10.8	1.5	**30.8**
At 31 March 2021	1.9	11.3	6.2	0.5	1.4	15.4	0.9	**37.6**

The net carrying amount of assets held under finance leases included in IT equipment and software is £1.3m (2021: £0.5m).
There are no future capital expenditure commitments on specific projects for the Group (2021: £nil).

Notes to the accounts

7. Investments

Group and Charity **Analysis of movement**	**2022** **£m**	2021 £m
Market value at 1 April	**149.4**	189.3
Purchase of investments at cost	**63.2**	47.4
Disposal proceeds	**(67.9)**	(134.1)
	144.7	102.6
Net gain on investments	**14.1**	46.8
Market value at 31 March	**158.8**	149.4
Original cost	**124.5**	113.2
Represented by:		
Listed investments: equities	**136.3**	121.7
Short dated corporate bonds	**19.4**	24.9
Cash held for investment purposes	**3.1**	2.8
Total investments at 31 March	**158.8**	149.4

Listed investments include overseas investments of £127.2m (2021: £113.5m).

No material shareholdings were held by the Charity in any one company. The Trustees consider the value of investments to be supported by their underlying assets, as appropriate.

The Charity holds 100% shareholdings in the three (2021: three) subsidiary undertakings within the Group; these are valued at cost of £6 (see note 13).

For investments sold during the financial year, the realised gain against historic cost was £16.1m (2021: £28.3m).

8. Debtors

	Group		**Charity**	
	2022 **£m**	2021 £m	**2022** **£m**	2021 £m
Amount owed by subsidiary undertakings	**-**	-	**16.9**	8.8
Sundry debtors	**3.7**	2.6	**2.9**	2.5
Tax recoverable	**5.3**	0.4	**5.3**	0.4
Prepayments	**10.1**	9.9	**10.0**	9.9
Accrued income	**1.3**	8.8	**1.2**	8.7
Accrued legacies	**90.8**	72.2	**90.8**	72.2
Total debtors	**111.2**	93.9	**127.1**	102.5

Some accrued legacy income may be received after more than one year, but this has not been estimated due to uncertainty in the timing of receipt of such income.

9. Provision for research and other grant awards

Group and Charity	Healthcare Innovation £m	Research £m	**2022** **£m**	2021 £m
Provision for research and other grant awards				
Grants awarded during the year	-	72.3	**72.3**	51.9
Movement in estimated future grant underspend	(0.6)	(7.6)	**(8.2)**	(4.8)
Decrease in grant discount	-	(5.0)	**(5.0)**	(0.2)
Net research grant awards as recognised in the statement of financial activities	(0.6)	59.7	**59.1**	46.9
Payments made during the year	(1.3)	(94.7)	**(96.0)**	(76.0)
Net movement in provision during the year			**(36.9)**	(29.1)
Grant provision at 1 April			**318.9**	348.0
Grant provision at 31 March			**282.0**	318.9
Awards falling due within one year			**94.7**	106.2
Awards falling due after more than one year			**187.3**	212.7
Grant provision at 31 March			**282.0**	318.9
Research and other grant awards commitments				
Total grants awarded and unpaid at 31 March, including conditional grant awards (total grant commitments)			**339.9**	374.6
Less conditional translation awards and Chairs grants*			**(6.1)**	(6.7)
Total unconditional grant awards outstanding at 31 March			**333.8**	**367.9**
Less estimated future grant award underspend*			**(45.9)**	(48.1)
Less grant discount			**(5.9)**	(0.9)
Grant provision at 31 March			**282.0**	318.9

Notes

*The BHF has a contingent liability of £52.0m (2021: £54.8m) including £6.1m (2021: £6.7m) for awards conditional upon the favourable outcome of scientific reviews and £45.9m (2021: £48.1m) representing the expected future underspend against grant awards.

The Charity has discounted its long-term liabilities, both for Research and Healthcare Innovation grants. A discount rate of 1.37% (2021: 0.19%) has been applied to both amounts recognised in the financial statements as grant creditors and grant commitments (not applied to the financial statements). The discount rate applied is the Gilt under 10 years rate. The gross discount value included in total liabilities for Research grant awards is £5.9m (2021: £0.9m) and for Healthcare Innovation grant awards £0.0m (2021: £0.0m).

Notes to the accounts

9. Provision for research and other grant awards (continued)

The Charity occasionally receives applications for grants from, and makes awards to, universities and hospitals which employ members of the Board of Trustees in senior research capacities. All grants are made to institutions, and a list of awards made during the year is available in the Charity's website at:

www.bhf.org.uk/research/information-for-researchers/previous-awards (this is unaudited).

The top 50 grants made in 2021–22 are listed below.

			2022
Institution	**Activity**	**Number of grants**	**£m**
University of Oxford	Research	10	**9.8**
Imperial College London	Research	6	**5.8**
University College London	Research	6	**4.2**
University of Edinburgh	Research	5	**3.5**
King's College London	Research	4	**3.8**
University of Cambridge	Research	3	**2.7**
University of Manchester	Research	3	**2.3**
Queen Mary, University of London	Research	2	**1.0**
University of Bristol	Research	2	**1.4**
University of Leeds	Research	2	**1.4**
British Cardiovascular Society	Research	1	**1.7**
Cardiff University	Research	1	**0.7**
The Academy of Medical Sciences	Research	1	**0.5**
University of Glasgow	Research	1	**0.4**
University of Leicester	Research	1	**0.4**
University of Nottingham	Research	1	**0.5**
University of Strathclyde	Research	1	**0.7**
Total		50	**40.8**
Other grants paid to institutions	Research		**31.5**
Total grants and awards			**72.3**

10. Other creditors

	Group		Charity	
	2022	2021	**2022**	2021
	£m	£m	**£m**	£m
Sundry creditors	**5.3**	1.8	**4.9**	1.7
Finance lease creditor	**0.3**	0.2	**0.3**	0.2
Taxes and social security	**1.8**	1.5	**1.8**	1.5
Accruals	**17.6**	12.8	**16.7**	12.5
Deferred income	**2.5**	2.0	**2.3**	2.0
Holiday pay accrual	**1.7**	1.5	**1.7**	1.5
Total other creditors	**29.2**	19.8	**27.7**	19.4

Deferred income

	Group		Charity	
	2022	2021	**2022**	2021
	£m	£m	**£m**	£m
Deferred income at 1 April	**2.0**	1.5	**2.0**	1.5
Released during the year	**(2.0)**	(1.5)	**(2.0)**	(1.5)
Income received during the year to be deferred	**2.5**	2.0	**2.3**	2.0
Deferred income at 31 March	**2.5**	2.0	**2.3**	2.0

Deferred income relates to events where income is received in advance.

11. Provisions for liabilities and charges

	Group		Charity	
	2022	2021	**2022**	2021
	£m	£m	**£m**	£m
Provision at 1 April	**4.4**	4.3	**4.4**	4.3
Provision utilised in year	**(0.8)**	(2.0)	**(0.8)**	(2.0)
Provision accrued in year	**0.6**	2.1	**0.6**	2.1
Provision at 31 March	**4.2**	4.4	**4.2**	4.4

The provision comprises the estimated future unavoidable lease costs of £0.1m (2021: £0.1m) in respect of loss-making stores and an estimate of the probable future costs of restoring rented properties to their required condition at the ultimate expiry of the lease of £4.1m (2021: £4.3m) based on the dilapidation costs required, provided the lease is not renewed. The provision is expected to be utilised between 2021 and 2039 as leases terminate. Prior to confirmation of the payment amount and date, values are estimated based on historical data, the ongoing monitoring of lease contracts, and advice from property advisers.

12. Operating leases

At 31 March 2022 the Group had total commitments under non-cancellable operating leases as follows:

	2022	2021
Payment due:	**£m**	£m
Within one year	**24.5**	26.6
Between two and five years	**66.9**	70.1
After five years	**26.8**	28.3
Total operating lease commitments	**118.2**	125.0

Notes to the accounts

13. Subsidiary undertakings

The British Heart Foundation has three wholly owned non-charitable subsidiary undertakings registered in England and Wales, all of which are consolidated. The registered address for all the subsidiary undertakings is Greater London House, 4th Floor, 180 Hampstead Road, London NW1 7AW.

Company name	Registered company number	Activity
British Heart Foundation Ventures Limited	02767880	Making commission arrangements and sponsorship agreements
BHF Shops Limited	02472513	Retailing new (non-donated) goods online and in BHF shops
London to Brighton Bike Ride Limited	02672643	Dormant, has not traded since 31 March 2020. An application to voluntarily wind up the company was completed post year end.

The share capital of each subsidiary is as follows - British Heart Foundation Ventures Limited (3 ordinary shares of £1), BHF Shops Limited (2 ordinary shares of £1) London to Brighton Bike Ride Limited (1 ordinary share of £1).

The taxable profits of these undertakings is paid to the Charity (parent) each year as Gift Aid.

	British Heart Foundation Ventures Limited	BHF Shops Limited	**2022**	2021
	£m	£m	**£m**	£m
Turnover	1.0	35.0	**36.0**	13.5
Cost of sales	-	(17.5)	**(17.5)**	(8.7)
Gross profit	1.0	17.5	**18.5**	4.8
Other income	-	1.0	**1.0**	0.4
Other costs	-	(4.3)	**(4.3)**	(3.2)
Net taxable profit	1.0	14.2	**15.2**	2.0
Distribution to parent	(1.0)	(14.2)	**(15.2)**	2.0
Assets	1.1	17.2	**18.3**	9.3
Liabilities	(1.1)	(17.2)	**(18.3)**	(9.3)
Net assets	-	-	**-**	-

14. Pensions

The BHF operates a defined contribution scheme and a defined benefit scheme for its employees.
The total pension cost for the financial year was:

Pension costs	**2022**	2021
	£m	£m
Defined contribution scheme	**4.6**	4.8
Defined benefit scheme	**0.1**	0.2
Total pension costs	**4.7**	5.0

i) Defined contribution scheme

The BHF operates a defined contribution scheme for certain eligible employees, the total cost of which for the year ended 31 March 2022 was £4.6m (2021: £4.8m). From 1 August 2013, all employees have been automatically enrolled into the defined contribution scheme and BHF contributes between 2% and 25% of pensionable salaries.

ii) Defined benefit scheme

The BHF operates a defined benefit scheme, the assets of which are held in a separate Trustee-administered fund. The scheme closed to new entrants from 30 June 2001 and to service accrual on 31 May 2016, such that from this date the pension benefit for the remaining active members will be of a defined contribution type.

The last valuation of the scheme was carried out as at 1 July 2020 and issued in March 2021. The market value of the scheme's assets at that date was £75.5m and it showed a funding surplus of £2.0m. For this reason, no further contributions to the Scheme are currently anticipated but the BHF will continue to separately settle the cost of running the Scheme. The next valuation is due as at 1 July 2023.

In accordance with the requirements of the relevant accounting standard (FRS 102), the full actuarial valuation of the defined benefit scheme dated 1 July 2020 has been updated at 31 March 2022 by a qualified actuary. This reflects the application of broadly consistent assumptions to the actuarial valuation, with the exception of the discount rate, where a less conservative rate is required by FRS 102. On the FRS 102 basis, the Scheme has a surplus at 31 March 2022 of £10.9m (2021: surplus of £10.5m). In accordance with FRS 102, this surplus is not recognised, as future economic benefits are not deemed available to the BHF in the form of a reduction in future contributions or a cash refund.

The major assumptions used for the actuarial valuation were:

	2022	2021	2020	2019	2018
	%	%	%	%	%
Salary growth	**3.7**	3.4	2.6	3.6	3.5
Pension increases in payment – Limited Price Indexation	**3.6**	3.3	2.0	2.6	2.5
Pension increases in payment – guaranteed	**5.0**	5.0	5.0	5.0	5.0
Discount rate	**2.7**	2.0	2.3	2.4	2.6
Inflation – RPI	**3.7**	3.4	2.6	3.6	3.5

Mortality

The average life expectancy in years of a pensioner retiring at age 65 on the balance sheet date is as follows:

	2022 years	2021 years
Male	**86.9**	86.9
Female	**89.3**	89.3

The average life expectancy in years of a pensioner retiring at age 65 twenty years after the balance sheet date is as follows:

	2022 years	2021 years
Male	**88.3**	88.2
Female	**90.8**	90.7

Notes to the accounts

14. Pensions (continued)

Major categories of plan assets as a percentage of total scheme assets

	Asset categories as a percentage of plan assets	
	2022	2021
	%	%
Corporate bonds	**80.0**	79.0
Liability Driven Investment (LDI) funds	**19.0**	20.0
Cash/other	**1.0**	1.0

Analysis of amount charged to the Statement of Financial Activities under FRS 102

	2022	2021
	£m	£m
Current service cost	**-**	-
Expenses	**0.1**	0.2
Past service cost	**-**	-
Total operating charge	**0.1**	0.2
Interest income on pension scheme assets	**(1.4)**	(1.6)
Interest on pension scheme liabilities	**1.2**	1.2
Interest effect of the asset ceiling	**0.2**	0.4
Total amount charged to the Statement of Financial Activities	**0.1**	**0.2**

Analysis of actuarial gain/(loss) and effect of asset ceiling

Actuarial gain/(loss) before consideration of asset ceiling	**0.2**	(5.4)
Amounts not recognised due to effect of asset ceiling	**(0.2)**	5.4
Total actuarial gain/(loss) and effect of asset ceiling	**-**	**-**

Analysis of changes in the present value of defined benefit obligations and fair value of assets

	Present value of defined benefit obligation		**Fair value of scheme assets**		**Asset ceiling**		**Net liability recognised in the balance sheet**	
	2022	2021	**2022**	2021	**2022**	2021	**2022**	2021
	£m	£m	**£m**	£m	**£m**	£m	**£m**	£m
Scheme (liabilities)/assets at the start of the year	**(59.2)**	(53.5)	**69.7**	69.0	**(10.5)**	(15.5)	**-**	-
Interest cost	**(1.2)**	(1.2)	**-**	-	**-**	-	**(1.2)**	(1.2)
Interest income on assets	**-**	-	**1.4**	1.6	**-**	-	**1.4**	1.6
Actuarial gain/(loss)	**5.0**	(5.7)	**(4.8)**	0.3	**-**	-	**0.2**	(5.4)
Benefits paid	**1.5**	1.2	**(1.5)**	(1.2)	**-**	-	**-**	-
Interest effect of the asset ceiling	**-**	-	**-**	-	**(0.2)**	(0.4)	**(0.2)**	(0.4)
Remeasurement of the asset ceiling	**-**	-	**-**	-	**(0.2)**	5.4	**(0.2)**	5.4
Scheme (liabilities)/assets at the end of the year	**(53.9)**	(59.2)	**64.8**	69.7	**(10.9)**	(10.5)	**-**	-

14. Pensions (continued)

Analysis of pension scheme assets and liabilities for the previous four financial years

	2022	2021	2020	2019	2018
	£m	£m	£m	£m	£m
Defined benefit obligation (DBO)	**(53.9)**	(59.2)	(53.5)	(55.8)	(52.6)
Fair value of pension scheme assets (including asset ceiling)	**53.9**	59.2	53.5	55.8	50.5
Pension deficit	**-**	-	-	-	(2.1)
Experience gain/(loss) on pension scheme assets	**0.2**	(5.4)	6.0	0.7	3.7
Adjustments as a percentage of pension scheme assets	**0%**	(9%)	11%	1%	7%

Analysis of change in the effect of the asset limit

	2022	2021
	£m	£m
Opening effect of the asset limit	**10.5**	15.5
Interest effect of the asset limit	**0.2**	0.4
Remeasurement of the asset limit	**0.2**	(5.4)
Closing effect on the asset limit	**10.9**	10.5

15. Financial instruments

		Group		**Charity**	
		2022	2021	**2022**	2021
	Note	**£m**	£m	**£m**	£m
Financial assets at fair value through statement of financial activities					
Investments	7	**158.8**	149.4	**158.8**	149.4
Financial assets that are debt instruments measured at amortised cost					
Amount owed by subsidiary undertakings	8	**-**	-	**16.9**	8.8
Sundry debtors	8	**3.7**	2.6	**2.9**	2.5
Accrued income	8	**1.3**	8.8	**1.2**	8.7
Accrued legacies	8	**90.8**	72.2	**90.8**	72.2
Cash and cash equivalents		**127.0**	105.2	**115.6**	102.7
		222.8	188.8	**227.4**	194.9
Financial liabilities at fair value through statement of financial activities					
Grants provision	9	**282.0**	318.9	**282.0**	318.9
		282.0	318.9	**282.0**	318.9
Financial liabilities that are debt instruments measured at amortised cost					
Sundry creditors	10	**5.3**	1.8	**4.9**	1.7
Accruals	10	**17.6**	12.8	**16.7**	12.5
		22.9	14.6	**21.6**	14.2

Notes to the accounts

16. Related Party Transactions

Donations received from and expenses reimbursed to Trustees and the total employee benefits of the Executive Group of the Charity are disclosed in note 4. Transactions by the Charity with its defined benefit pension scheme are set out in note 14. There were no other transactions during the year that come within the FRS 102 definition of 'related party transactions'.

As set out in note 9 on pages 115 to 116, the Charity occasionally receives applications for grants from, and makes awards to, universities and hospitals which employ members of the Board of Trustees in senior research capacities. All such grants are made to institutions. A summary of the top 50 grants is provided on page 116. In certain cases, a BHF Trustee holds a senior position in the institutions we fund. In this context, the grant funding is regarded as being between related parties, as the individuals concerned holds a position of influence in both parties to the transaction. Such instances are set out below, although in no case was the Trustee involved in either the grant funding decision or the grant application process:

- Professor John Iredale is a Trustee of the Charity and Pro Vice-Chancellor of University of Bristol and since January 2022 has been on secondment to the Medical Research Council as interim Executive Chair. The University of Bristol received £2.4m of grant funding during the year ended 31 March 2022 (2021: £3.0m) and the Medical Research Council received £0.2m in during the year ended 31 March 2022.
- Professor David Lomas is a Trustee of the Charity and Vice Provost of University College London, which received £6.4m of grant funding during the year (2021: £3.2m).
- Daryl Fielding is CEO of The Marketing Academy Foundation. During the year, the Charity paid £11,047 to The Marketing Academy Foundation for recruitment and training services.

For the year the Charity received income of £14.2m (2021: £1.2m) from BHF Shops Limited and £1.0m (2021: £0.8m) from British Heart Foundation Ventures Limited, being a corporate Gift Aid payment to the parent charity. In addition BHF Shops Limited reimbursed the Charity £3.8m (2021: £2.9m) for services and other expenses incurred on its behalf.

At the year end, the Charity was due £15.9m (2021: £8.0m) from BHF Shops Limited, £1.0m (2021: £0.8m) from BHF Ventures Limited and £nil (2021: £nil) from London to Brighton Bike Ride Limited.

17. Post balance sheet events

BHF announced the winner of the Big Beat Challenge on 29 July 2022, which is expected to lead to a £30 million award in the 2022-23 financial year (more details of the research are set out on page 22).

Legal and administrative details

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bhf.org.uk

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Registered charity number: 225971
Scottish registered charity number: SCO39426
Isle of Man charity number: 1295

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BRITISH HEART FOUNDATION

England & Wales - Charity number 225971

Accounts

British Heart Foundation

When the world turned to science

Annual Report and Accounts 2021

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Cover: Dr Suchita Nadkarni, BHF Research Fellow, Queen Mary University of London

Our headlines

Last year we faced our biggest challenge in our 60-year history. As grim headlines dominated around the world, the pandemic had a seismic impact on our organisation, halving our net income as all our retail stores were closed and our face to face fundraising activities were cancelled.

We had to respond swiftly, making some difficult decisions to manage our costs whilst protecting as much of our life saving research as we could and ensuring we were there for heart and circulatory disease patients who needed us more than ever. Despite these challenges, we honoured all existing research commitments, supported our researchers to respond to the crisis and continued to grant new funding, with almost £52 million of new grants issued in the last year.

Our response to the crisis, supported by our strong reserves position and robust fundraising performance, has put us in a strong position as we move into our recovery year and has meant we are feeling optimistic and excited for our next 60 years.

A tribute to our patron, HRH The Duke of Edinburgh

At the British Heart Foundation, we mourned the loss of our patron, HRH The Duke of Edinburgh.

The Duke of Edinburgh became our patron in the early 1960s when the British Heart Foundation began, and he played a vital role in helping us organise high profile fundraising events in support of our life saving research.

Prince Philip's commitment to the British Heart Foundation over the decades has included supporting the creation of the BHF Centres of Research Excellence, opening a cutting-edge medical scanning centre at the University of Edinburgh, and writing a foreword to our 50th anniversary book '50 years at the Heart of Health'.

More recently he attended our annual reception in 2015 and hosted a dinner event at St James' Palace in 2017 to celebrate his 55 years as patron. Prince Philip was regularly informed of the strides we are making to prevent, diagnose and treat heart and circulatory diseases, and we know he was moved by the personal stories of people affected by these conditions.

This year the British Heart Foundation celebrates its 60th birthday, in what was the Duke of Edinburgh's 100th year of life. Prince Philip's role as our patron was one aspect of a life characterised by support for good causes and devotion to public service. We are profoundly grateful for his support.

Dr Charmaine Griffiths, our Chief Executive, said: "We're deeply saddened by the death of our patron, Prince Philip HRH the Duke of Edinburgh, and offer our condolences to Her Majesty The Queen and the Royal Family.

"Prince Philip offered steadfast support to the BHF for nearly 60 years and was a remarkable advocate for the power of research to save and improve lives from heart and circulatory diseases."

> "Prince Philip's role as our patron was one aspect of a life characterised by support for good causes and devotion to public service. His contribution will forever be remembered.
>
> **Dr Douglas Gurr**
> BHF Chairman

Message from our Chairman

This has been an historic year. It's been a year of tragedies and loss, and of heightened fear and uncertainty for people with heart and circulatory diseases.

Covid-19 has caused us all to rely on science for solutions. And science has delivered in abundance, including developing, testing, and producing effective vaccines and therapeutics in record time.

It's important to recognise how much we have all lost in the last year, but we can also appreciate just how much we achieved. The British Heart Foundation has helped many thousands of people, supported life saving research, and ensured the long-term health of our organisation and our vital work.

I'm immensely proud of how we responded to the pandemic. I attribute our resilience to the dedication of our people, and the single-minded clarity of our mission. Another key factor has been our prudent management before the pandemic; our cash reserves ensured we could meet our financial obligations and continue essential research.

Early on in the Covid-19 outbreak, there was a clear link between this new infection and heart and circulatory diseases, creating additional stress and uncertainty for the people we support. This meant we needed to urgently provide information and reassurance to people, and also pursue new research into the links between these conditions. This year has also cemented the value of data science when it comes to reducing the impact of heart and circulatory diseases. Our prior investment in the BHF Data Science Centre has proven to be invaluable and will support predictive approaches to treatment and prevention.

In spite of our successes, the pandemic poses a major risk to our research mission. The pandemic reduced our net income and therefore our investment in new research by almost 50%. Even with astute management, our resources are diminished, and our mission is delayed. There is a significant danger to the entire research ecosystem, particularly if we cannot fund future studies.

On our 60th anniversary, I see both a legacy of life saving research, and a future that needs our continued contribution. We can be proud of our accomplishments, but while heart and circulatory diseases remain a leading cause of death in the UK, our mission remains urgent.

One poignant moment was the passing in April 2021 of our long-standing Patron HRH Prince Philip, Duke of Edinburgh. His energy and commitment well into his late 90s were an inspiration to all. I remember him telling me with gusto, "British Heart Foundation – marvellous organisation. Took it on because my doctor told me I should, and you jolly well do what your doctor says!"

Thank you for supporting us. Thank you for offering your ingenuity, perseverance and creativity. Your commitment ensured we were able to support the people who count on us, continue our essential research, and be fully prepared to bounce back.

Dr Douglas Gurr,
Chairman

Message from our Chief Executive

As we reflect on the past year, there's no doubt the pandemic remains the biggest challenge that the British Heart Foundation has ever faced.

At breakneck speed we had to switch to remote working, cancel much-loved fundraising events, and close all our shops and stores. Our income was devastated just as people with heart and circulatory diseases, many of whom are at increased risk from Covid-19, needed us more than ever.

It was clear from the start of the pandemic that Covid-19 threatened people with heart and circulatory diseases more than most, and we are proud to have been there for millions of people who turned to our BHF Coronavirus Hub for support.

Similarly, our commitment to our life saving research did not falter. We took urgent steps to protect over £450 million of investment in pioneering research, supported our scientists to redirect their research towards Covid-19, and partnered with the National Institute of Health Research to support flagship Covid-19 research projects.

There is no doubt it has been tough.

Our BHF team have lost colleagues and loved ones, some volunteered on the NHS frontline, others juggled caring for family and work, and we all had to adapt quickly to new ways of working. And we've had to make difficult choices to protect our life saving work, including changing structures, and I want to recognise those valued colleagues who have left the BHF for their enduring contribution.

From our researchers to fundraisers, Trustees to volunteers, collaborators to partners, we could not have asked more of our BHF family. We have seen the very best of our people and my heartfelt thanks also go to every person, organisation and network supporting the British Heart Foundation's work today. Your support has never been more needed.

As the vaccination roll out continues at speed and the BHF approaches its 60th birthday we can look to the future with hope once again. Our ambition to power our life saving work as a diverse and inclusive team only continues to grow. We are determined to recover our income, fund world-class research, and put people affected by heart and circulatory diseases at the heart of everything we do. We are about putting a dent in the universe, to be a driver for change, to inspire life-changing work. It is such a privilege to lead the BHF and our brilliant team at this historic moment. For six decades the organisation has powered progress for everyone affected by heart and circulatory diseases and, as we recover from our greatest challenge, today that spirit is stronger than ever.

Dr Charmaine Griffiths,
Chief Executive

Our strategy to 2030

Fresh challenges, fresh thinking

Our ambitious strategy to 2030 guides us towards our vision of a world free from the fear of heart and circulatory diseases. The pandemic raised significant challenges and created unforeseen opportunities. How our organisation adapted and responded in this crisis year was crucial.

The pandemic increased demand for our support, research and services. With 45% of Covid-19 death certificates in England's first wave mentioning heart and circulatory diseases and 130,000 fewer heart procedures taking place in England's hospitals during the first year of the pandemic, we had to address the overwhelming need for information and support for people living with heart and circulatory diseases.

It was forecast that £310 million would be cut from medical research funding during 2021 as a result of Covid-19, so we needed to consider how we could address the shortfall in our own funding, and mitigate the potential impact on the entire research ecosystem.

Our strategy also needed to reflect new ways of working. How could we support our employees and volunteers as they adapted to working from home, closed shops, digital technologies and the stress of lockdowns? Our incredible achievements are the result of dedicated people pulling together, so supporting them remained a priority.

Our leadership team made the swift decision to pivot our strategy to guide us in our response to the crisis, prioritise our activities and deliver support where it was needed most. We decided to focus on four important areas:

- Promote information and support for heart and circulatory disease patients.
- Promote our life saving research, and maintain funding and confidence in it.
- Protect net income and financial sustainability.
- Support our people to adapt to changes and new ways of working.

While changes were essential to keep our strategy relevant in this crisis year, the fundamentals remain the same. We've made immense progress since our inception in 1961, helping to reduce annual UK deaths from heart and circulatory diseases by half, but we must achieve so much more. We know we can prevent more people from developing heart and circulatory diseases and ensure that people with existing conditions and risk factors are detected and treated early if we have more effective medicines and interventions. A persistent challenge we face is the gap between the burden of heart and circulatory diseases and the disproportionally low levels of research and healthcare investment when compared to many other diseases. But despite the difficulties we have had to overcome this year, we continue to tackle these challenges head on and deliver our strategy to 2030.

The changes we want to see in the world by 2030

Our vision is a world free from the fear of heart and circulatory diseases.

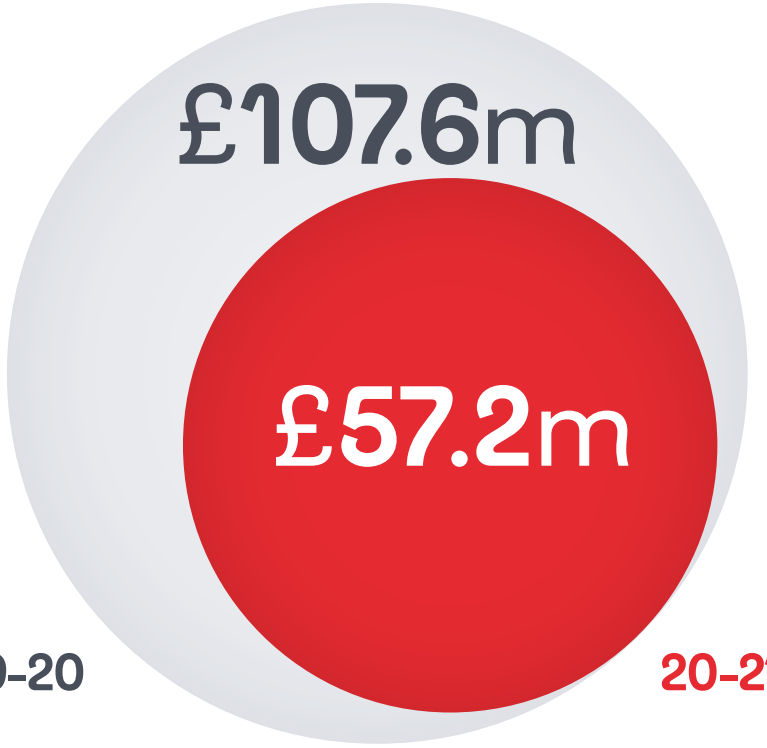
It's a bold ambition, and we cannot achieve it alone. But we believe the next ten years will see unparalleled progress.

By 2030 we want the world to look different. We want to mobilise communities, leaders and the government to get us there. We want to see advances across the spectrum of heart and circulatory diseases; we want to prevent these conditions from developing, and we want those with existing conditions to have better, longer lives.

A year of critical financial challenge

In a year that tested the BHF like no other, we are proud of our commitment to research. With significant disruption to our ability to generate income, we worked hard to mitigate the impact on our charitable mission, including accessing our financial reserves – which are held for that very purpose.

Net income impact



2020-21 net income down by 47%

The reduction in net income available for charitable purposes principally reflected the closure of our retail stores for eight months, mitigated by a robust fundraising performance and difficult decisions to adjust our cost base.

£254.6m Our financial reserves remain strong, supporting our research commitment

Our commitment to research

Over
£450m
Our current research portfolio

£51.9m
New research awards

£74.8m
Cash for ongoing research activity

With over £450m of BHF-funded research underway, and the BHF supporting 55% of all non-commercial research into heart and circulatory diseases carried out in the UK, the commitment of the BHF to honouring existing commitments and considering funding new research projects, was essential.

Research in numbers

We are currently supporting:

340
Students

900+
Projects

508
Principle Investigators

Protecting our life saving research mission

Backing the power of science

As the UK entered a national lockdown in March 2020, we knew the impact on our work would be devastating. A lockdown meant our shops closing and dozens of fundraising events being cancelled, including our flagship event, the London to Brighton Bike Ride.

We knew we had to protect research in the face of these challenging scenarios and make difficult decisions. We pledged to continue funding projects we had already committed to, but were forced to cut our budget for future research in half.

Dr Ricky Vaja
King's College London

Beat heartbreak from heart diseases
11 March 2020
WHO declares Covid-19 a global pandemic

Research under threat

Protecting the future of cardiovascular research

Covid-19 is the greatest financial challenge we've faced in our 60-year history. The BHF-funded research has advanced the prevention, diagnosis and treatment of many heart and circulatory diseases – the world's biggest killers and major cause of disability worldwide. With less money available to fund fewer research projects, there is a danger that the pace of progress is slowed, and our mission delayed.

As highlighted earlier, the required closure of our charity retail business for a large part of the year contributed to a £50.4m or 47% reduction in our net income in 2020-21. This forced us to restrict research funding with new grants awarded of £51.9m, down from £99.7m in 2019-20. It could take several years to return to pre-pandemic levels of funding.

Significant cuts to our research budget pose a significant threat to the UK's standing as a world-leader in cardiovascular science.

Because of the reduction in our income this year, we had to limit our support of talented investigators with excellent research projects. But we understood the importance of retaining sufficient funding to the UK's exceptional cardiovascular research ecosystem, so as to avoid the potential loss of an entire generation of future scientific leaders.

As Covid-19 impacts our ability to fund research, it also puts the very people that research seeks to protect at risk. Patients and the public will suffer as progress in the discovery and development of new ways of preventing, diagnosing and treating heart and circulatory diseases has slowed.

Our response to the pandemic has been focused on protecting our research mission while safeguarding the health of our patients, colleagues, volunteers and researchers, and also contributing to the global effort to deal with Covid-19.

Alex Swan, PhD student

Supporting the pandemic response

Recognising the valuable role that we could play in addressing the pandemic, we swiftly changed course to lend our support.

Researchers joined the fight

Researchers and support staff whose posts were funded by us were able to devote their time to the national effort, until they were able to return to their planned research activity. Institutions that held Research Excellence Awards and Accelerator Awards were also able to allocate uncommitted funds from their awards to supporting Covid-19 research.

Returning to the frontline

We enabled our researchers, many of whom are cardiologists and clinicians, to return to the NHS frontline. We also made our infrastructure available for coronavirus testing. Labs across the UK, for example in Imperial College London and Glasgow, became testing centres and many of our PhD students were redeployed to support the national testing effort. We also lent state-of-the-art PCR equipment to lighthouse labs, which helped fast-track testing.

Dr Kalwant Authi, Researcher, King's College London

Our strategy in action 2020-21

- We have remained committed to funding world-class research to save and improve lives, maintaining our standard award schemes and conducting meetings and events in a virtual environment.
- We have continued to protect our research mission at this unprecedented time through our grant extension scheme and additional support opportunities for early career researchers.
- We have used our position as a major research funder to provide a rapid and agile response to the coronavirus pandemic, using our existing research ecosystem to catalyse the set-up and delivery of NIHR-BHF flagship Covid-19 research projects across the UK.

Future focus

- We will continue to advance knowledge of heart and circulatory conditions, maintaining our position as the largest independent funder of cardiovascular research in the UK.
- We will conclude the competition for the BHF's Big Beat Challenge, a £30 million award to catalyse transformative research towards patient benefit.
- We will use our partnership with other international cardiovascular research funders to coordinate multinational clinical trials to maximise public investment and patient benefit.
- We will increase resources and use new ways to analyse the outcomes and benefits of the research we fund and develop a series of compelling narratives that inform our supporters, the public and policy-makers of the impact arising from our research.
- We will continue to support a positive research culture and promote a fair and open research ecosystem by implementing the principles of the San Francisco Declaration on Research Assessment (DORA).

Safeguarding people and research

We've worked tirelessly to maintain progress while continuing to fund new, life saving science.

Protecting tomorrow's cardiovascular leaders

After consulting with our research community in the latter part of their studies, it became clear that PhD students near the end of study were the hardest hit by Covid-19 disruption. To protect our bright young minds, we rapidly developed a sector-leading action plan and offered studentship extensions of up to six months.

We are incredibly proud to have extended 120 PhD studentships. Our 4-year Programme Directors wrote in a letter of thanks: "The BHF's response has been exemplary in both guarding the viability of the important research in these projects and caring for the wellbeing and future of the students. The impact of these extensions cannot be overstated."

Grant extension scheme

To ensure patients still see the life-changing benefits of our wider research portfolio, we committed to paying our researchers' salaries during delays and launched a new Covid-19 disruption grant extension scheme. Since its launch, we are delighted to have been able to extend 129 grants, giving teams the time and funds they need to complete their work.

Prioritising essential research

While protecting current research, we are also doing our best to fund new, life saving science. We introduced quarterly prioritisation meetings, to discuss high quality applications and award funds according to available budget.

Empowering our clinical scientists

When hospital admissions were on the rise, we supported our talented clinical scientists and nurses in their return to the NHS frontline.

Dr Ricky Vaja

Dr Ricky Vaja's story

"I worked in the intensive care unit at the Royal Brompton Hospital. We were often treating younger people who had Covid-19 or those who had the most severe complications. Being on the frontline again was hard, but it was easy to see how important it was for us to be there. As the pandemic progressed, my surgical skills were needed. Lots of heart surgeries had been postponed due to the pandemic, so we were kept busy catching up with the waiting list."

BHF Professor Sir Rory Collins' story

UK Biobank is a world-renowned health data resource, part funded by the BHF, that has enabled several important scientific discoveries. BHF Professor Sir Rory Collins, Chief Executive at UK Biobank is enhancing the data resource to understand why some people are hit hard by coronavirus and others escape with little to no effect.

Professor Collins said: "This data will help researchers understand the differences between individuals. What are the differences in their genetics? Are there differences in their underlying health? The vast range of expertise already being applied to the UK Biobank data means that there's likely to be many ways in which these data can be used to help develop strategies to address this pandemic."

30 May

Relaxing of lockdown restrictions announced for the 2.2 million people 'shielding'

Donors supporting our PhD students

The British Heart Foundation has been cultivating cardiovascular research talent for many decades but, in a world much changed by Covid-19, investing in early-career scientists has become a strategic priority.

These talented students are the next generation of research leaders, capable of making breakthroughs that will transform the lives of those affected by heart and circulatory diseases worldwide. But many are at risk of abandoning a career in research, anxious that they will be unable to secure future funding.

Our PhD programmes provide students with unique opportunities to work in vibrant, highly interdisciplinary environments and learn from eminent, world-leading researchers. The quality and rigour of BHF-funded research training is demonstrated by the fact that numerous current leaders in cardiovascular research launched their careers with our support.

We are delighted to acknowledge the following donors who are supporting cohorts of students on the BHF PhD programmes:

Mr Charles Wilson and Dr Rowena Olegario

Supporting the Wilson and Olegario Class of 2020 – University of Oxford BHF PhD Programme.

Garfield Weston Foundation

Supporting the Weston Class of 2021 – University of Leicester BHF PhD Programme and the Weston Class of 2021 – Kings College London BHF PhD Programme.

Such generosity enables us to maintain the pipeline of scientific talent for future advances in the prevention, detection and treatment of heart and circulatory diseases.

> **Our Trustees are delighted to support the BHF's commitment to develop the brightest and best minds in cardiovascular science and to continue its life saving work despite the challenges Covid-19 presents.**
>
> **Philippa Charles**
> Director of Garfield Weston Foundation

> **We are keen to support the talent of tomorrow. The BHF PhD programmes nurture research leaders of the future whose work will have a positive global impact by helping to improve and save the lives of people with cardiovascular disease.**
>
> **Charles Wilson**

12 June

The BHF launches free postal stock donation scheme

Flagship Covid-19 research projects

Covid-19 presents a heightened risk to people with cardiovascular diseases, so we rapidly mobilised research leaders from the BHF Data Science Centre, National Institute of Health Research (NIHR) and the British Cardiovascular Society (BCS), through the NIHR-BHF Cardiovascular Partnership.

Together, we approved seven UK flagship Covid-19 projects which could benefit people with heart and circulatory diseases:

Harnessing the power of data to understand the link between coronavirus and cardiovascular health
Team led by **Professor Cathie Sudlow**

Determining whether genes, ethnicity or lifestyle factors are linked to increased risk of Covid-19 infection and severity
Team led by **Professor Aroon Hingorani**

Tracking the cardiovascular problems that arise with Covid-19 infection
Team led by **Professor Bryan Williams**

Monitoring the wider impact of the Covid-19 pandemic on cardiovascular health
Team led by **Professor Jamil Hayet**

Investigating the extent and persistence of organ damage as a result of Covid-19 infection
Team led by **Professors John Greenwood and Stefan Neubauer**

Using cutting-edge AI technology to measure risk of long-term cardiovascular problems due to Covid-19
Team led by **Professor Charalambos Antoniades**

Tracing up to 10,000 patients who have been hospitalised with Covid-19 to understand the longer-term health outcomes from the infection, including severe blood vessel damage in the lungs
Team led by **Professor Chris Brightling**

> **By awarding flagship status to a handful of projects, we are mobilising resources and research efforts behind studies that have the best chance of swiftly improving care and saving lives. The speed at which we've done this is testament to the strength of UK cardiovascular science.**
>
> **Professor Sir Nilesh Samani**
> BHF Medical Director

4 July

UK held a minute's silence to remember those who had died of Covid-19

Harnessing the power of data

The BHF Data Science Centre is a cornerstone upon which crucial Covid-19 research is being built. Each of the flagship projects involves patient or health data to address urgent clinical research questions on Covid-19 and cardiovascular health.

Under the leadership of Professor Cathie Sudlow, the Centre is rapidly establishing itself as a national resource for researchers, clinicians, and policymakers. For example, the Centre's data analysis and insight informs Scientific Advisory Group for Emergencies (SAGE) recommendations to Government.

The Centre was the first organisation to use NHS Digital's new Trusted Research Environment – a service that gives approved researchers access to linked, anonymised data to answer Covid-19 and other health-related research questions.

Professor Cathie Sudlow, Director of the BHF Data Science Centre, said: "Because of our partnership with NHS Digital, researchers are now able to access health data at a scale that a year ago was hardly even imaginable. This will help health professionals, patients, carers and health service planners make better decisions for the benefit of everyone."

The virtual Centre was set up in partnership with Health Data Research UK, the NHS, and patients and the public to unlock and connect cardiovascular-related health data for research, innovation and care.

While not holding any data itself, the BHF Data Science Centre works with data controllers to provide knowledge and expertise to help researchers find, access, understand and connect the UK's unique cardiovascular 'big data' that is distributed across national registries, NHS medical records and other relevant datasets.

13 July

BHF researchers identify need for heart scans for Covid-19 patients

Major Covid-19 breakthroughs

Several BHF-funded researchers who contributed to the fight against Covid-19 have made important scientific discoveries. Every finding helps shed further light on this infection and its direct or indirect impact on heart and circulatory health. Breakthroughs include:

Mapping the heart in great detail

Together with the Human Cell Atlas project team, Dr Michela Noseda at Imperial College London used smart cell mapping software to understand how Covid-19 enters the heart and other organs. The findings revealed that the virus likely enters specific cell types in heart muscle and the heart's small blood vessels – a finding which may help scientists block the virus.

BHF Professor Barbara Casadei
University of Oxford

Powerful drug screening technology

Professor Mauro Giacca and team at King's College London have been using robotic screening technology to find molecules that could protect the heart from damage. When the pandemic hit, the team started using the technology to screen thousands of existing drugs with the hopes of finding one that could block entry of the virus into cells. The team recently discovered that an antiparasitic drug called Niclosamide could block lung damage in people with Covid-19.

Professor Mark Dweck
University of Edinburgh

Finding people at risk of heart damage

Professor Marc Dweck and team at the University of Edinburgh found that around half of Covid-19 patients who received a heart scan in their study showed abnormalities in heart function. This suggests heart scans are crucial for deciding which treatment plans are appropriate for Covid-19 patients and could prevent long-term heart damage.

Heart attack sufferers missing life saving care

A survey led by the European Society of Cardiology and its chair, BHF Professor Barbara Casadei from the University of Oxford, showed that only two thirds of the expected number of heart attack sufferers were admitted to hospital between mid-February and the end of March 2020. Surveys like this led to national awareness raising campaigns encouraging the public to call 999 when they experience symptoms.

New heart health discoveries

Despite the immense challenges of continuing research during a pandemic, BHF-funded scientists continued to break ground. Advancing our knowledge for better prevention, diagnosis and treatment and discovering breakthroughs to improve health outcomes, these research successes include:

Gene discovery could prevent diabetic complications

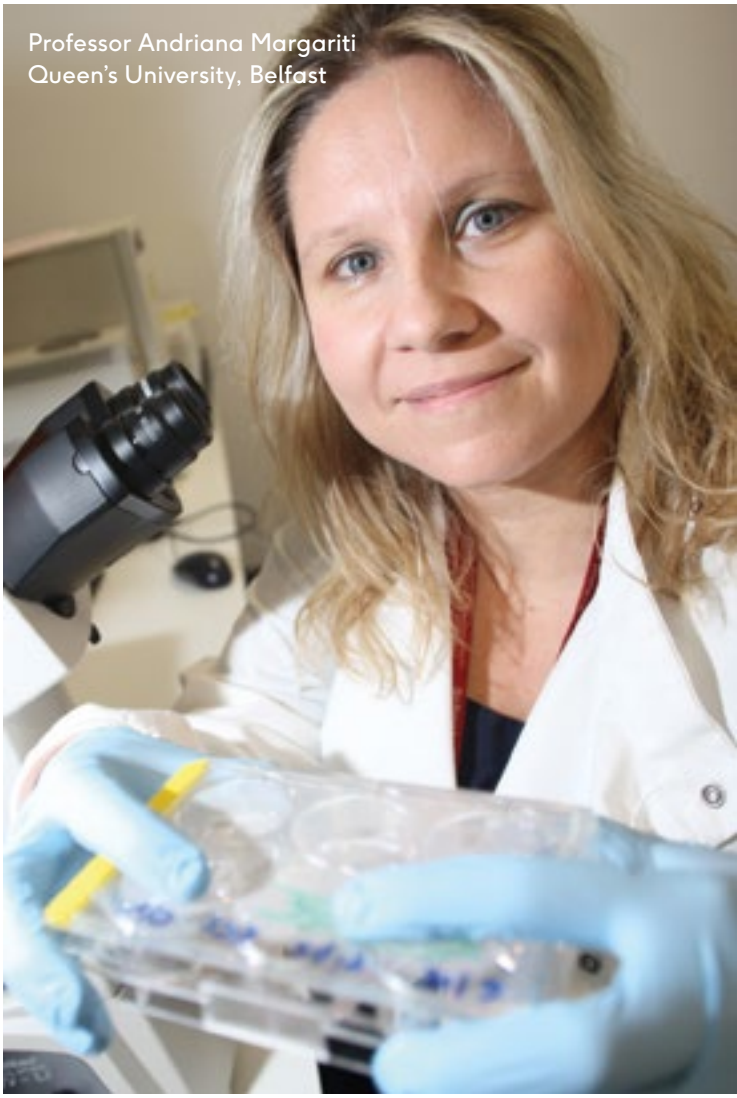
Professor Andriana Margariti and team at Queen's University Belfast discovered a gene that increases the risk of blood vessel damage in people with diabetes, a major risk factor for heart and circulatory diseases. Developing a drug that targets this gene could help people with diabetes lead longer healthier lives.

Genetic breakthrough for deadly heart condition

BHF Professor Hugh Watkins and team at the University of Oxford found a new type of genetic change in the DNA of people with hypertrophic cardiomyopathy – a silent killer that can cause sudden death in young people due to thickening of the heart muscle. This ground-breaking discovery, which may be the biggest advance in our knowledge of the genetic basis of the disease in 25 years, will help doctors predict which family members need to be monitored for the condition and which can be ruled out from further tests or treatment.

Hormone discovered in heart for first time

Until now, the hormone calcitonin was only thought to be produced by the thyroid gland, with no known effects on the heart. Professor Svetlana Reilly and team at the University of Oxford have revealed that cells in the upper chambers of the heart produce approximately 16 times more calcitonin than the thyroid. They also discovered that the hormone plays a role in reducing heart scarring and is decreased in people with atrial fibrillation. This discovery could lead to new treatments that repair heart scarring.



Professor Andriana Margariti
Queen's University, Belfast

Recognition for researchers

BHF-funded researchers continue to be recognised for their contribution to cardiovascular research. We are delighted to celebrate their achievements and the awards of our colleagues, which include:

OBE for Professor Cathie Sudlow

Professor Cathie Sudlow, Director of the BHF Data Science Centre, was awarded an OBE in the Queen's birthday honours, recognising her services to medical research. In 2019, Professor Sudlow was appointed as the Director of the BHF Data Science Centre, a partnership between the BHF and the Health Data Research UK (HDR UK) to promote the safe and ethical use of data for research into the causes, prevention and treatment of all diseases of the heart and circulation.

Millennium Medal for Professor Sir Rory Collins

BHF Professor Sir Rory Collins, based at the University of Oxford and Chief Executive of UK Biobank has been awarded the Medical Research Council's Millennium Medal, their most prestigious personal award. This is in recognition of Professor Collins' transformative contributions to cardiovascular research and UK Biobank. These include his work demonstrating that statins safely reduce the risk of heart attack and stroke in a wide range of individuals, saving millions of lives around the world.

Fellowship for Professor Valerie O'Donnell

Professor Valerie O'Donnell, Professor of Biochemistry at Cardiff University, has been elected as a Fellow of the Academy of Medical Sciences. Fellows are selected for their exceptional contributions to advancing biomedical science through world-leading research discoveries and translating these advances into benefits for patients and the public. We've funded Professor O'Donnell's research into the mechanisms by which lipids regulate blood clotting and how it links to heart and circulatory diseases.

6 August

Transport for London (TfL) announced plans to expand the Ultra Low Emissions Zone (ULEZ) in London

Hunterian Professorship for Mr Nigel Drury

Mr Nigel Drury, researcher and consultant in paediatric cardiac surgery at Birmingham Children's Hospital, received the Hunterian Professorship awarded by the Royal College of Surgeons of England. Mr Drury leads a BHF-funded clinical trial to compare how well the heart is protected by two different solutions used to replace blood during heart surgery.

Michael Davies Early Career Award for Dr Christopher Miller

Congratulations also to BHF-funded Dr Christopher Miller from the University of Manchester who received the Michael Davies Early Career Award.

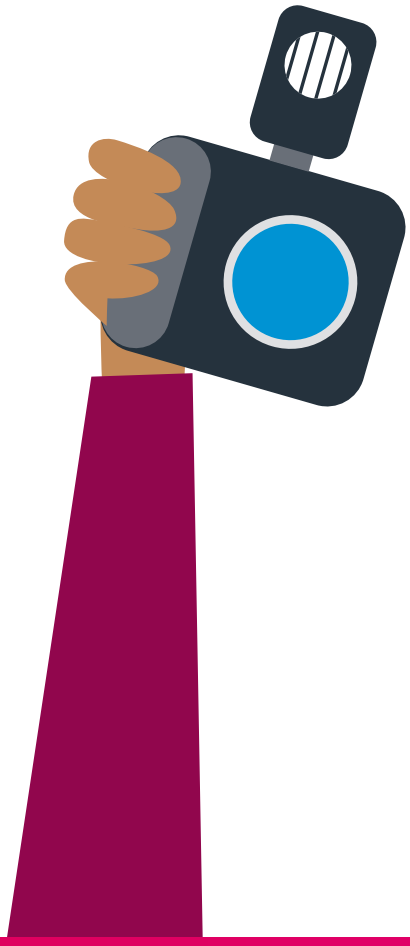
European Society of Cardiology awards

The European Society of Cardiology (ESC) is a professional association that facilitates the improvement and harmonisation of standards of diagnosis and treatment of cardiovascular diseases. BHF Professor Barbara Casadei, from the University of Oxford, was President of the ESC from 2018 to 2020 and has been praised for her inspired leadership during her two-year term and for leading the Society to rapidly respond to the Covid-19 crisis.

Two BHF-funded researchers were honoured in the 2020 ESC list of awards. Professor John McMurray (above) from the University of Glasgow received the ESC Gold Medal for his outstanding contribution to clinical treatment in heart failure. Professor Desmond Julian, former BHF Professor who passed away in 2019, was also honoured by the ESC through a special memorial lecture.

Young Investigator Award for Dr Jillian Simon

Congratulations to BHF-funded researcher Dr Jillian Simon, University of Oxford, who won the British Cardiovascular Society Young Investigator Award competition. Congratulations also to runners up Dr Richard Harbour, Imperial College London, and Natalie Haywood, University of Leeds.



19 August

Research part-funded by the BHF shows structures inside heart reveal heart failure risk

Nurturing the next generation

Our mission is clear: to fund life saving and life-changing research into heart and circulatory diseases. And that's exactly what we focused on during the past year.

Lauren Boland, PhD student
Imperial College London

Training future research leaders

In 2020 we ran a competition to renew our flagship 4-year PhD programmes, aimed at nurturing the next generation of research leaders in cardiovascular science. Over the next four years, we will spend £21.3 million funding a total of 144 PhD students at 12 universities across the UK.

These programmes represent our commitment to developing the brightest and best minds to take on heart and circulatory diseases, helping us edge closer to our goal of beating heartbreak forever.

International funding alliance

Established in 2018, a joint funding scheme between the BHF, the German Centre for Cardiovascular Research (DZHK) and from 2019 the Dutch Heart Foundation (DHF), is an example of our drive to strengthen collaboration across borders and disciplines.

With over £3m awarded across four projects to date, this scheme supports innovative and multidisciplinary research to improve clinical diagnosis, prevention and treatment of heart and circulatory diseases. Following two successful rounds, the third call for applications under this scheme was launched in February 2021 and has a total funding value of €5 million (£2 million from the BHF). Awards will be announced in September 2021.

New BHF Chairholder, Professor Deborah Lawlor, CBE

Professor Deborah Lawlor has been appointed BHF Professor of Cardiovascular Science and Clinical Epidemiology at the University of Bristol.

Professor Lawlor is a leading expert in understanding how socio-economic inequalities and medical conditions during pregnancy can influence life-long heart and circulatory health. She was awarded a CBE in 2017 for her services to social and community medicine research.

By becoming a BHF Professor, Deborah Lawlor is now able to dedicate more of her time to ground-breaking heart and circulatory research, as well as mentoring future researchers and treating patients as a Consultant in Public Health Medicine.

11 October

University of Exeter begins trials of BCG vaccine against Covid-19

Bringing research to life

Understanding the importance of science and how research saves lives has never been more vital. We want to give our supporters every opportunity to learn about the ground-breaking research we fund.

Data visualisation

We are incredibly proud to fund the best research in heart and circulatory diseases in the UK. For the first time in our 60-year history, we have brought our research portfolio to life with an interactive data visualisation tool. From information on clinical trials, to PhD studentships, to stroke projects, or who and what we fund by area, we want to empower the public and supporters to access information about our life saving research with the click of a button.

bhf.org.uk/iheartdata

Live and Ticking

When the pandemic began, our supporters told us they were still keen to hear about BHF-funded research. To support this need, we launched an online event series called Live and Ticking, bringing the BHF latest news and pioneering research projects to life for the public. From healing hearts to vascular dementia, our scientists delve into a different field of cardiovascular research each month and answer questions from our supporters. If you'd like to attend an event visit:

bhf.org.uk/publicevents

It starts with the grants

Our new Grants Management System provides a more modern, robust experience for applicants and grant holders, the experts who review grant applications, and the members of our funding committees who award them. It will also provide the BHF with the capacity for future growth and the flexibility to introduce new funding schemes as and when they are needed. Further improvements and refinements to the new system will be developed during 2021-22.

Life Sciences Charity Partnership and #researchatrisk

In light of the financial challenges we face, we joined the Association of Medical Research Charities and its 150 other members in lobbying the Government to support a Life Sciences Charity Partnership Fund. This fund would have given medical research charities the helping hand they need to return to pre-Covid levels of funding.

Although unsuccessful, we have been collaborating closely with Government stakeholders who understand our concerns and are working with them to find a solution. Without commitment from Government, many charities will be forced to make devastating cuts to research which will be hugely damaging for patients and UK science.

20 October

The BHF holds its virtual Heart Hero Awards hosted by Vernon Kay

Heart health revolution

The Big Beat Challenge

In 2019 we opened applications for the most ambitious research programme in our 60-year history – the Big Beat Challenge.

Through the Challenge, we set ourselves the ambitious goal of funding a single project that could make a transformative leap forward in an area of cardiovascular research, and lead to rapid improvements in patient care. The four shortlisted applications are some of the most innovative and exciting research proposals the BHF has ever received.

The teams behind these projects bring together world leaders in multiple fields, including biotechnology, medicine, data analytics and engineering, from the foremost academic institutions in the world, such as Harvard, MIT and Stanford in the USA and Oxford and Cambridge in the UK.

They include a proposal for a robotic heart that could be used in heart transplants, a potential vaccine for the furring of the arteries that causes heart attacks and strokes, a gene-silencing cure for deadly inherited heart conditions, and the cutting-edge use of technology to manage heart and circulatory diseases.

Due to the delays caused by the pandemic we now hope to announce the winner by the end of the year.

To define the decade in our mission to beat heartbreak forever, we need to raise £30 million to fund our Big Beat Challenge over the next seven years

We are delighted to acknowledge the following donors who provided £50,000 seed funding for each of the shortlisted teams:

Mr Ranjit Singh Boparan

HybridHeart

A soft robotic heart to provide a cure for heart failure

Dr Doug Gurr

ECHOES

Next generation technology to create your heart's digital twin

The Lazari family

iMAP

Building a 3D Google map to treat atherosclerosis

Thakrar Foundation

CureHeart

Curing genetic heart muscle disease

Celebrating 60 years of saving lives

Thanks to your support, we're celebrating 60 years of life saving research.

Your donations, time and tireless fundraising have brought us a long way since 1961. Sudden death from a heart attack at the age of only 50 or 60 was so common it was thought to be just a fact of life. But with unwavering public support, BHF-funded researchers began to pioneer a revolution in the understanding and treatment of conditions like coronary heart disease. Today, 7 out of 10 people survive a heart attack in the UK.

Heart transplants, pacemakers, clot-busting drugs and statins are just a few examples of the countless advances in heart and circulatory health and care propelled by our world-class medical research. The BHF funds over half of all non-commercial research into heart and circulatory diseases carried out in the UK.

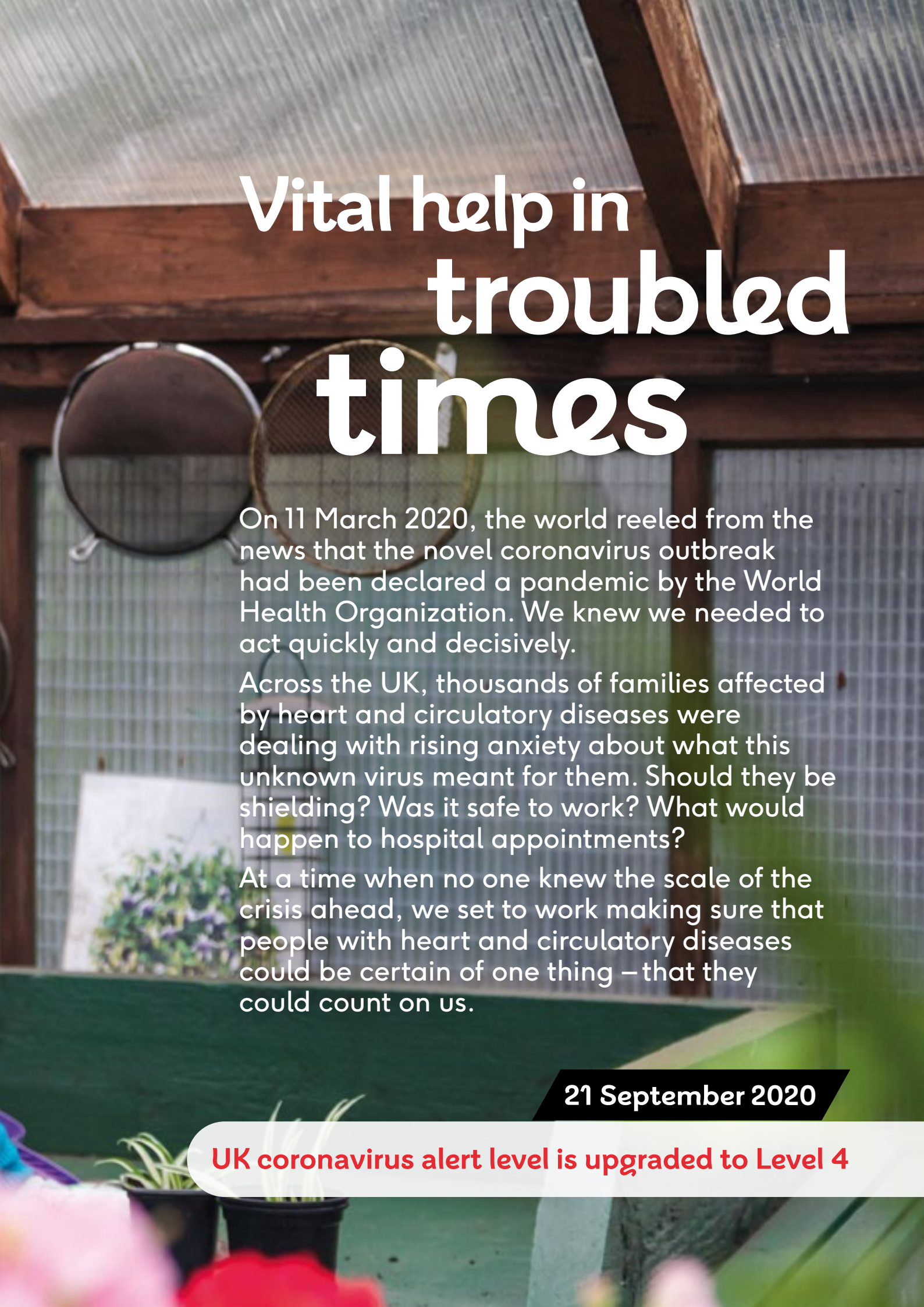
We know that overall investment in research into heart and circulatory diseases is disproportionately low compared to many other conditions. And we need to close that gap. We and others must work together to raise the overall amount of funding and support available, so that all the visionary researchers, innovators and care providers can keep shifting the dial.

We need you like never before. Despite progress, millions of people across the UK are living with the daily burden of heart and circulatory diseases and these diseases cause a quarter of all UK deaths. But our challenges are only matched by our ambition. With you by our side we can still beat heartbreak forever.

60yearsyoung
Celebrating 60 years of saving lives

Providing information and support for heart and circulatory disease patients

Alice Timmons
Heart attack survivor, mother and keen gardener



Vital help in troubled times

On 11 March 2020, the world reeled from the news that the novel coronavirus outbreak had been declared a pandemic by the World Health Organization. We knew we needed to act quickly and decisively.

Across the UK, thousands of families affected by heart and circulatory diseases were dealing with rising anxiety about what this unknown virus meant for them. Should they be shielding? Was it safe to work? What would happen to hospital appointments?

At a time when no one knew the scale of the crisis ahead, we set to work making sure that people with heart and circulatory diseases could be certain of one thing – that they could count on us.

21 September 2020

UK coronavirus alert level is upgraded to Level 4

Coronavirus Information Hub

Answering urgent health questions about Covid-19

Early in the pandemic, evidence showed that many people with heart and circulatory diseases were at a higher risk of becoming seriously ill from Covid-19. People needed clear information that was specific to their existing health conditions.

To support this need we created our Coronavirus Information Hub, which provides up-to-date information and support on what coronavirus means for people with heart and circulatory diseases, expert information on vaccines, plus lifestyle tips on staying healthy while indoors. The hub quickly became a vital resource to people living with heart and circulatory diseases and has helped support over 5 million users during the first year of the pandemic.

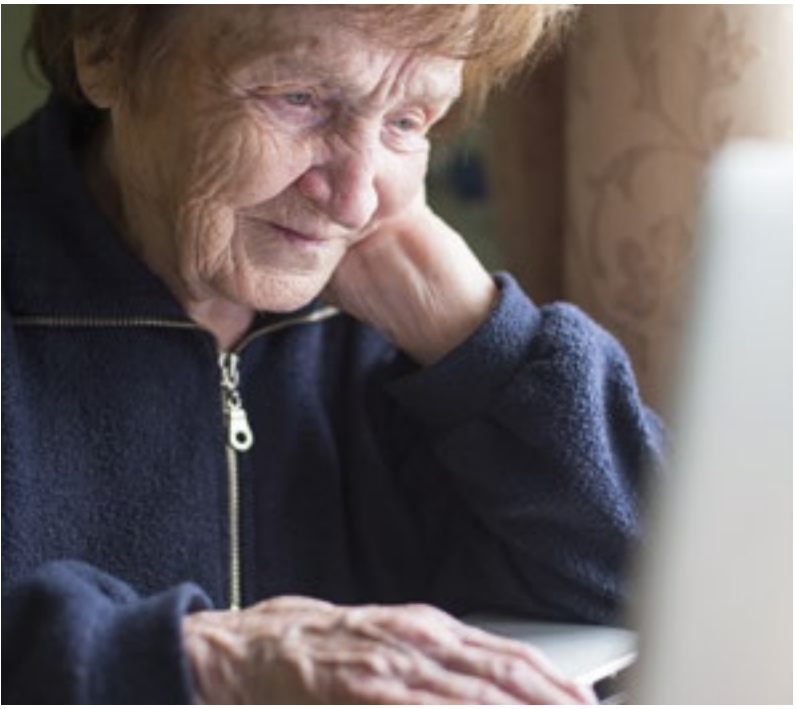
Making heart information accessible

Over 900,000 people live with heart failure in the UK, but the BHF report published in 2020 found that care is disjointed and unequal.

The pandemic has only made it harder for people to access the care they need, with appointments postponed and support cancelled. People with heart failure are at increased risk of serious illness or death from Covid-19, so it is vital that they can still access care and support.

In response, we created a Heart Failure Hub to help people with heart failure and their families manage their condition at home as much as possible. The hub pulls together expert advice and information to ensure people have all the information they need about their condition in one place.

On the hub, you can watch videos explaining what heart failure is, find the answers to commonly asked questions, read expert advice from cardiologists, and easily access support.



Our strategy in action 2020-21

- Our online Covid-19 content has provided a wealth of support to help people understand and manage their condition, between March 2020 and March 2021 we had over 10 million page views.
- Through virtual events and online communities, we helped people connect with others facing similar challenges, helping to reduce isolation and increase knowledge, confidence and wellbeing.
- Our influencing work is shaping the policies and practices that support the needs of people at risk of or living with heart and circulatory diseases.
- Through our work on the National Defibrillator Network, we have engaged with ambulance services across the UK, helping dispatch teams to access local defibrillators.

Future focus

- We will use data, insights, and feedback to ensure we are effectively supporting the people who need us.
- We will tackle health inequalities.
- Our work on the Circuit (the National Defibrillator Network) and Nation of Lifesavers will gather pace to help improve cardiac arrest survival rates.
- We will continue working with Laerdal to offer CPR training to millions of UK employees, to improve survival rates from out-of-hospital cardiac arrests.
- We will expand our peer support offer geographically, and across different age groups, to extend our ability to support people.
- We will continue developing an influential voice with senior decision-makers in the Government so that we can raise the profile of our vital mission.
- We will continue working with external partners to improve post-mortem genetic testing for sudden, unexpected deaths (SUDs) so that family members can make informed choices about their health.

Surge in demand for support

As the pandemic began, we experienced unprecedented demand for our Heart Helpline.

The number of calls doubled following the first outbreak, with over 18,000 calls made and over 5,000 emails sent between 1 April 2020 and the end of March 2021.

Through our Heart Helpline, our expert cardiac nurses help with queries and concerns about heart and circulatory diseases, and their risk factors. Our helpline nurses give callers the time to understand the details of their condition, treatments, test results, medications, and more.

Offering support with live chat and a chatbot

As demand for our Heart Helpline skyrocketed, we knew that adding new contact channels could help us reach more people with clear information and support about heart and circulatory diseases.

To cater for people who prefer digital channels and instant responses, we launched a new chatbot and temporary live chat function. These functions offered an easy way to answer simple queries, as well as offering a call-back from a specialist cardiac nurse.

Following the launch of the live chat and chatbot function, our cardiac nurses conducted more than 1,000 live chats, with one in five people requesting a call-back.

Heart Helpline in numbers

350 calls per week

100 emails per week

9 minutes per call

15,250 contacts between March and June 2020

26 October

Oxford University Covid-19 vaccine shows a strong immune response among older volunteers

Extending the support we provide

In just eight weeks, we produced a TV and digital campaign to promote our Heart Helpline and ensure that more people could access information and reassurance from a cardiac nurse.

The campaign was also intended to encourage donations to help us fund the increased demand for our Helpline. The campaign centred around the 7.6 million people with heart and circulatory conditions in the UK who were more at risk of death or serious complications from Covid-19, and the concerns and questions they and their loved ones had about Covid-19.

In parallel to the advertising campaign, we ran an urgent cash appeal through direct mail, email, paid social media, paid search, and SMS broadcast. This urgent appeal asked supporters to donate to keep our Heart Helpline beating, our information flowing, and our community connected and raised £0.4m.

> "I called two or three times over the past few days and everyone I have spoken to has helped tremendously, you have a great team there.

> "Very positive, thank you for being so helpful. Very grateful to the BHF and the service they offer.

Thank you to our Patients First supporters

Philanthropic gifts helped the BHF to provide a specialist information and support service for people affected by heart and circulatory diseases during the Covid-19 pandemic.

This year £0.5m was raised from philanthropic individuals, trusts and foundations and government funders in support of our Patients First support service. Thanks to the generosity of our supporters, Patients First has supported people all over the UK affected by heart and circulatory diseases who have faced unprecedented challenges this year due to the Covid-19 pandemic.

Through our enhanced Heart Helpline, online Covid-19 Support Hub and virtual peer support activities, we have provided vital information and resources to people affected by heart and circulatory diseases. This support service has helped people feel better informed, supported and connected, as the pandemic presented significant challenges and continued uncertainty.

Thank you to all our supporters who helped make Patients First a reality.

28 October

The BHF urges the Government to honour its commitment to UK science

Home help

Cardiac rehabilitation at home

Cardiac rehabilitation is designed to help people live a full life following a cardiac event or diagnosis, such as a heart attack, or treatment such as heart surgery. However, many in-person cardiac rehab services have been cancelled since the beginning of the Covid-19 pandemic.

As a result, some people may have been discharged from hospital without any cardiac rehab input, or any further support or advice about what they should be doing when they get home.

To help people stay well at home, we have moved our cardiac rehab offerings and resources online. This means that people can now do cardiac rehab from the comfort of their own homes.

The Cardiac Rehab Hub provides the information that would usually be available in face to face classes, such as nutrition and emotional wellbeing advice. To help people feel connected, the hub also signposts to other forms of peer-to-peer support to help people connect with others.

Making a noise to save lives

Part of our role is to raise public awareness and inspire people to take action. Our campaigns aim to tackle big issues to support public understanding related to the pandemic and their heart health.

999 during the pandemic

There were concerns during the pandemic that many people may have delayed calling 999 – possibly through fear of catching Covid-19 or not wanting to burden the NHS. The number of people admitted to hospital because they were diagnosed with heart attacks or strokes experienced a significant drop during the first lockdown in 2020.

However, the health service remained open throughout the pandemic for emergencies and to help the public. To reassure the public and make sure they received the medical help they needed, we worked closely with the NHS, encouraging people with heart attack and stroke symptoms to call 999.

Heart healthcare backlog

As soon as the pandemic began, we had serious concerns about its impact on care for people with heart and circulatory conditions. During the first wave, routine healthcare was suspended across the UK, as the NHS rightly prioritised seriously ill Covid-19 patients.

While the implications of this widespread disruption were not yet fully known, there was enough evidence to suggest that these delays to care would have tragic consequences for thousands of people living with heart and circulatory diseases in the UK. Sadly, these fears turned out to be well founded, with over 6,000 excess heart and circulatory disease deaths in the UK in the first year of the pandemic.

With early evidence showing a dramatic fall in hospital admissions due to heart attacks, our first priority was to empower people with heart and circulatory diseases to continue seeking medical help if experiencing new or worsening symptoms.

Our campaign laid the foundation for the NHS's own campaign on this issue, and the importance of seeking help for a suspected heart attack was acknowledged during a Government daily press conference. Following this campaign, hospital admissions due to heart attacks largely recovered.

Our attention then turned to the vast and growing backlog of cardiovascular care. In the first year of the Covid-19 pandemic there were 130,000 fewer heart operations and procedures in England, and 470,000 fewer diagnostic echocardiograms (compared to the preceding 12 months).

Last Autumn, our Associate Medical Director, Dr Sonya Babu-Narayan, gave evidence in the House of Lords about the rise in preventable deaths from heart and circulatory conditions, and how delays to care will have likely contributed to this number.

Throughout the pandemic, our campaigning has called for urgent action to help address the backlog of people awaiting care for heart and circulatory diseases. This means urging the Government to restore routine services as soon as it is safe to do so, and to provide the NHS with a clear plan and enough investment in the short and long term. Media mentions of the pandemic's impact on cardiovascular care have become more frequent, and the level of public awareness is now greater.

Rehabilitation comes home

British Heart Foundation Northern Ireland (BHF NI) work closely with a cardiac rehabilitation team to help patients remotely.

The Our Hearts Our Minds helps people recover from cardiac events and reduce the risk of needing re-admission to hospital by offering advice and support. The pandemic threatened to disrupt this service and leave patients unsupported and at-risk.

Working closely with BHF NI, Our Hearts Our Minds developed a virtual programme that could offer their usual blend of consultations, informative videos and case management entirely online.

The new virtual programme was a vital resource alongside the BHF's Cardiac Rehab at Home Hub in offering practical help to those who need to continue with their all-important recovery in these unprecedented times.

Over **15 million interactions** with our coronavirus support and information during first year of the pandemic

Blood pressure monitoring at home

During the pandemic it became difficult for people with heart and circulatory conditions to have their blood pressure monitored at pharmacies and GP surgeries. High blood pressure not only increases your risk of heart attack or stroke, but it is also linked to a higher risk of serious illness from Covid-19.

Responding to this need, we created a Manage Your Blood Pressure at Home Hub on our website. The hub makes it easier for people to measure and manage blood pressure at home by pulling together all the right information in one place.

On the hub you can use videos to teach yourself how to measure your blood pressure, can find out tips about how to reduce your blood pressure, and also how to choose the right blood pressure monitor.

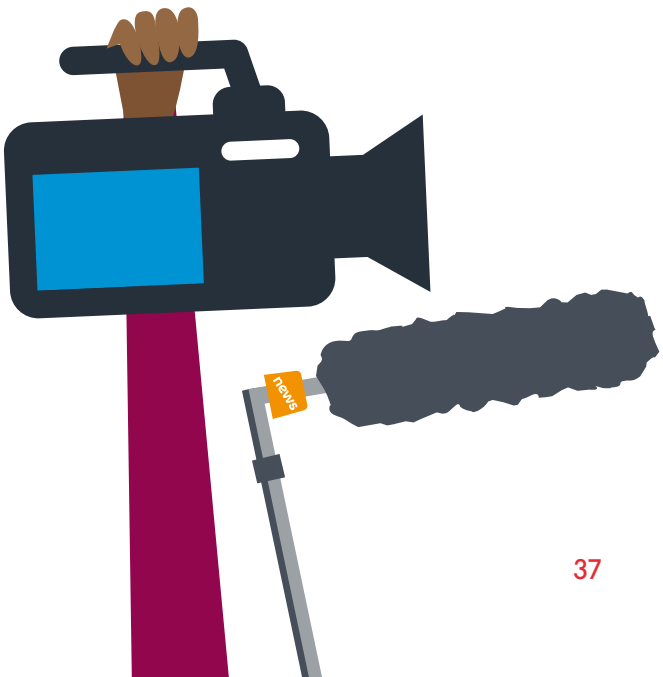
Locked down, not let down

Our online and local support groups provide a vital space for people with heart and circulatory diseases, as well as their carers, to share knowledge, experiences, and practical help with each other.

But during lockdown, face to face meetings became impossible, so we massively ramped up our virtual offerings to meet demand for children and young people with heart conditions who are part of our Teen Heart and One Beat networks. Instead of six face-to-face meetings each year, we increased their frequency to around three virtual meetings each week.

At the same time, our HealthUnlocked Online Community has continued to be an invaluable source of peer support for over 27,000 members (as of February 2021), and is also a place where patients can get information and support from our cardiac nurses.

> **Since lockdown, One Beat has thrived. The team rose into action for the welfare of our members who felt the psychological impacts of shielding earlier than others. Since having more regular touchpoints and innovative online events, us members have been able to develop a closer sense of community than ever before, and have had our lockdown experiences become much less lonely due to the initiative of One Beat.**
>
> **Rory**
> One Beat member



Life saving skills

During the worst of the pandemic, the number of people having an out-of-hospital cardiac arrest increased, and the survival rate fell. The estimated UK survival rate was less than one in ten in 2020, with England recording the lowest rate since 2012.

Every minute without CPR or defibrillation reduces the chances of survival by up to 10%, so it is vital that CPR is widely taught and understood. Because of the difficulty of doing in-person training during the pandemic, we adapted our CPR training resources to make sure people could learn life saving skills online.

We also developed Covid-friendly resources, which includes using a cloth to cover the mouth and nose of the person having a cardiac arrest and avoiding rescue breaths, instead just giving chest compressions.

3 November

Liverpool pilots a regular Covid-19 rapid testing trial

3 November

Three new Trustees with sector-leading financial and medical research expertise joined our governing board

Life lessons

Far too many lives are lost to out-of-hospital cardiac arrests, partly because too few bystanders have the expertise or confidence to perform CPR. Providing this training to young people in all schools is vital in helping to change this.

In September 2020 CPR was added to the English secondary school curriculum, and in Scotland every local authority has committed to teaching life saving skills in secondary schools. After years of campaigning, the BHF Cymru team has also seen CPR skills added to the national curriculum in Wales. This significant achievement was only possible because of partnerships with other organisations including St John Cymru and Red Cross in Wales.

Heart Disease Plan for Wales

BHF Cymru highlighted why some of Wales' biggest killers need to remain a top priority for the Welsh Government. Heart and circulatory diseases cause around 25 deaths each day in Wales. Around 340,000 people are living with these conditions.

Working with clinical professionals we drafted a plan which identified three key priorities:

- To tackle the risk factors for heart and circulatory diseases.
- To ensure everyone has access to timely diagnosis, treatment and care.
- Improved use and access to data.

Like all health services across Wales, cardiology has been impacted by Covid-19. There's been an impact on all parts of the heart and circulatory diseases pathway, including deferral of diagnoses and therapeutic interventions; and reduced access to specialist care in the community and identification and management of risk factors, including high blood pressure.

These impacts are not being felt equally across the country. The pandemic is serving to highlight health inequalities and regional variation, feeding the postcode lottery for patients accessing services and treatments.

Our heart disease plan called on all political parties to commit to prioritising the health and wellbeing of patients in Wales.

Nations united against heart disease

Heart and circulatory diseases cause around 50 deaths each day in Scotland – that's almost a third of all deaths – with one in eight of these at working age. Across Scotland an estimated 700,000 people are living with the daily burden of these conditions, which can devastate lives.

The Scottish Government last published its Heart Disease Improvement Strategy in 2014. But progress in tackling heart disease has stalled in Scotland in recent years. While death rates from events like heart attacks have been falling for decades, progress has slowed.

Rates of heart and circulatory diseases in our most deprived areas are still significantly higher than those in the least deprived areas. Deep-rooted inequalities in diagnosis and treatment persist, and the pandemic seems to be amplifying these.

The Government has committed to spending £117 million on a new cancer strategy for Scotland and £42 million targeting Type 2 diabetes. However, just £1 million has been invested in the heart disease strategy since its launch seven years ago.

BHF Scotland has called for a new heart disease strategy for Scotland to be developed, underpinned by the required investment. We have worked with more than 70 clinical professionals to draft a plan which has identified three key priorities: to prevent more people from developing heart and circulatory diseases by tackling risk factors, including obesity, high blood pressure, high cholesterol; to ensure everyone has timely and equitable access to diagnosis, treatment and care; and improved use and access to data to understand the scale of services across Scotland.

Our strategy urged all political parties to commit to work with us to tackle these issues.

Fearghal McKinney, Dáithí's dad Máirtín and Dáithí

Northern Ireland should soon join the rest of the UK in making soft opt-out organ donation enshrined in law, following campaigning by BHF NI and others.

In December 2020 the Minister for Health launched a public consultation to seek the public's views on how to introduce a soft opt-out organ donation system for Northern Ireland.

The consultation should be another step on the road to legislative change on organ donation in Northern Ireland. BHF NI, the Donate4Dáithí campaign and others have long campaigned for a change in the law.

Head of BHF NI Fearghal McKinney said legislative change could lead to more people receiving life saving transplants every year, better reflect the views of the majority of the population, and help to shift social norms towards donation and away from refusal.

Managing income to drive long-term financial stability

Swift actions for a strong recovery

As the UK government announced major economic interventions such as the furlough scheme and the suspension of business rates, we moved swiftly to secure our own long-term financial stability.

Thanks to prudent financial management in the years before the pandemic, and decisive action throughout, we feel confident that we will recover quicker than most. But like so many other charities and businesses, we had to make hard choices.

9 November 2020

Pfizer/BioNTech vaccine reported to be 90% effective

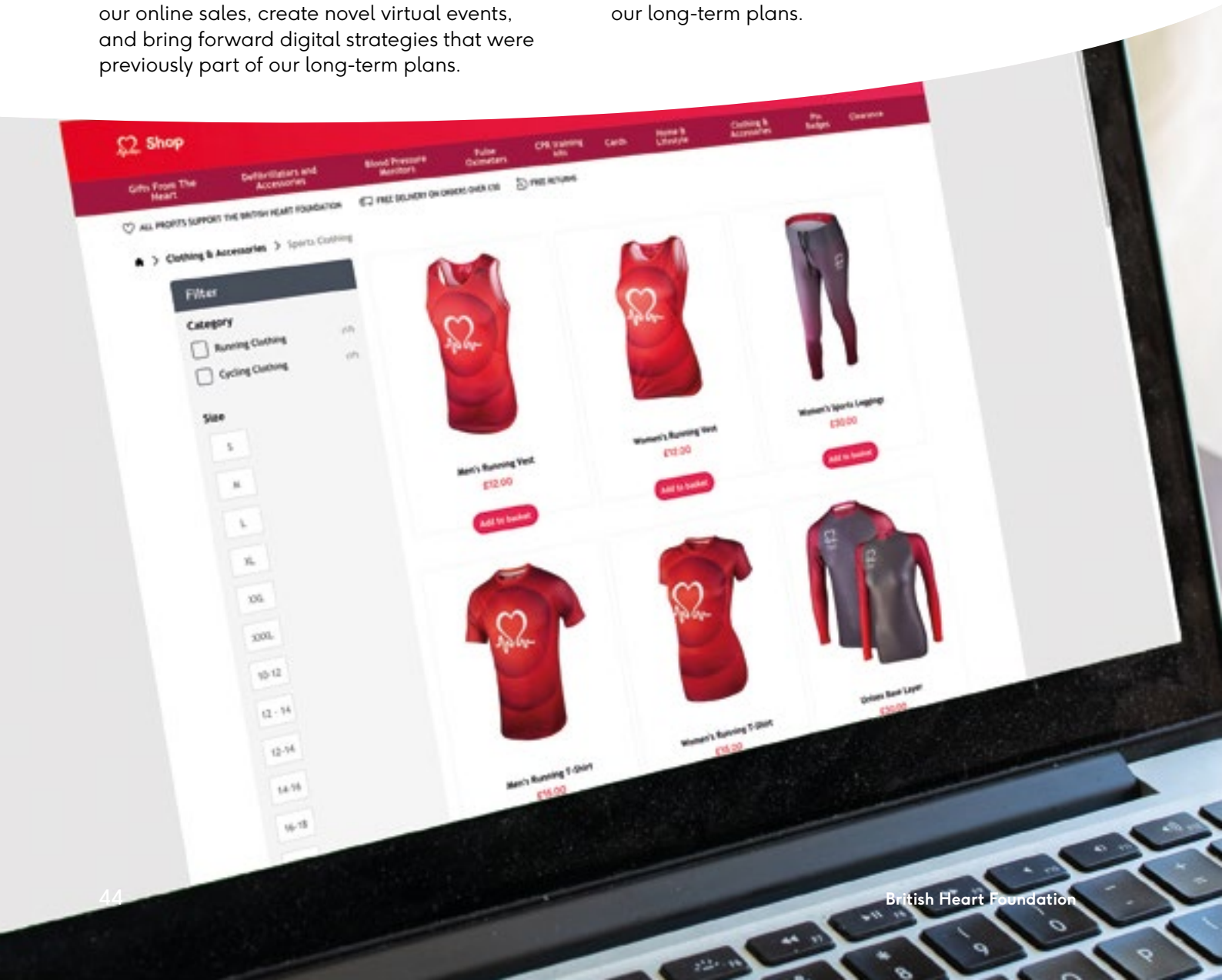
Faiza Yasin
Congenital heart disease patient, daughter, sister and yoga teacher

Falling income, rising demand

Throughout this report you will have seen just how challenging this year has been for everyone at the British Heart Foundation. Nothing demonstrates the seismic impact on our organisation more than the 47% reduction in our net income, which is closely linked to the closure of our retail stores for eight months of the year, as well as the cancellation of our treasured fundraising events.

Our financial story is very much about the barriers we faced because of coronavirus, and also about the great leaps we made to overcome them. Alongside much-needed government support, we were buoyed by a swathe of urgent innovations that saw us expand our online sales, create novel virtual events, and bring forward digital strategies that were previously part of our long-term plans.

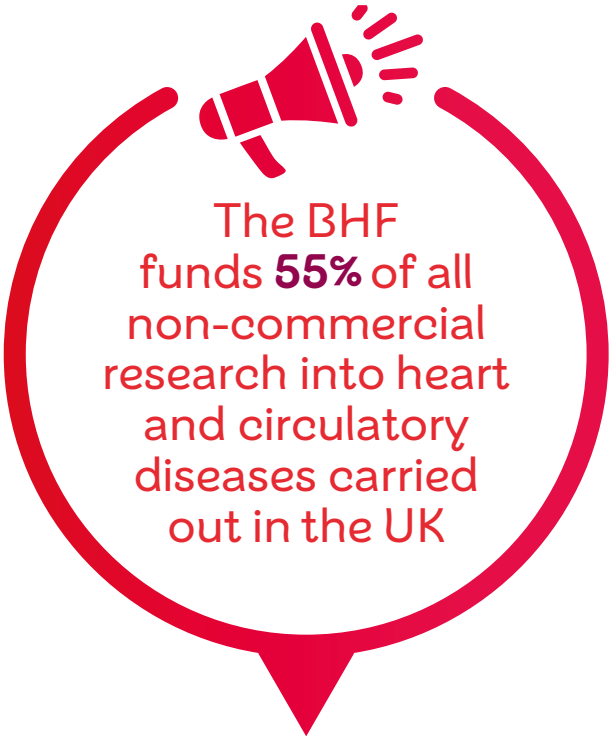
We also increased our requests to philanthropists, foundations and corporate partners, placing a greater emphasis on the critical need to safeguard our research projects and developing talent. While a larger sum of gifts given through wills also helped us protect our long-term plans.



Turning a crisis into a recovery

Restructuring our organisation was a difficult, but necessary, part of getting through the past year. This included a number of redundancies and the loss of many valued colleagues. From a purely financial perspective, we took important steps to mitigate our income shortfall, including prioritising our property portfolio strategy and prudently managing our financial reserves.

We are now looking to the future with optimism. Since the lockdown of non-essential retail was lifted in April, our shops and stores have traded strongly, at or above the levels we achieved before the pandemic hit. We believe our offer combining value, sustainability, community and choice positions us well for the future. We will also be building on many aspects of our response to the pandemic, including online and digital innovations, which have made our organisation stronger and more fit for the future.



Our strategy in action 2020-21

- Despite a challenging year, fundraising support has been remarkable, almost matching the previous year for net income, albeit through a different mix of products and channels.
- We strengthened our Philanthropy and Corporate Partnerships fundraising teams resulting in significant donations.
- We established a new Marketing, Fundraising & Engagement directorate to improve the way we attract, engage and retain our supporters.
- In Retail, we demonstrated much needed flexibility and resilience, with our offer combining value, sustainability, community and choice positioning us well for a strong recovery through 2021.
- Our online retail offer continues to grow too, with a new ambition to be 'the destination retailer for pre-loved and heart health products online'.

Future focus

- We are committed to recovering our income through our retail and fundraising efforts, doing 'fewer things better for bigger impacts'.
- We will recover and grow our fundraising income by 'rebooting' our brand, to help us innovate with urgency.
- We will celebrate our 60th anniversary to inspire support, including through stories that bring our history to life.
- We will recover retail profits by reducing property costs, diversifying our online offer, innovating stock generation, and focusing on empowering and equipping our people.
- We will increase our investment in our data capabilities, customer service and customer-facing technology infrastructure. This will include piloting a new logistics platform to support our growing Home retail business.

Resilient retail and future fundraising

This has been the most challenging year in the British Heart Foundation's 60-year history and in over 35 years of BHF retail. The impact of the pandemic on our fundraising and retail operation has been seismic.

Rising to the challenge

Extraordinary times demand extraordinary actions. With our 729 shops closed for eight months we had to adapt and forge a path to recovery. Recognising the growing importance of online retail, we moved swiftly to open new channels, expand offerings and build new connections. Our shop teams moved mountains to kickstart innovations that are more than just tactical responses but represent strategic shifts to a more modern and digital future.

For example, we expanded the range and accessibility of our pre-loved goods online, and have been looking at how we appeal to new audiences and continue to expand what we sell – whether that's much-needed medical devices, a rare antique watch or a bulk donation of end of line fashion stock. Despite the challenge of being required to be closed for so long, our passion and commitment to our position on the British high street is as strong as ever. We believe the combination of extraordinary value, choice and sustainability our shops and online provides, allied to the mission of the BHF, makes us increasingly relevant and resilient and we're committed to our future as part of local communities across the UK.

Launching Freepost

How can a chain of charity shops survive a nation in lockdown? We knew we needed to keep stock donations rolling in, so we swiftly launched a freepost delivery option.

Simply by printing a freepost label, donors across the UK were asked to send their preloved items to us at 6,600 Collect+ points. This initiative coincided with a flurry of deep-cleaning and loft-sorting from a population stuck at home, so was immediately a huge success. We launched in June 2020, and the service has grown ever more popular, such that we were receiving some 12,500 parcels a month by the year end, with plans to build further on this success in the new year.

We were also grateful to receive bulk donations from a growing number of corporate partners such as Wayfair, Amazon and Genuine Solutions Group (GSG) who appreciate the opportunity to donate unwanted items in an efficient and sustainable manner while supporting our life-changing research.

Open to opportunities

The pandemic has had a seismic impact on the income of the BHF. We've made it easier for people to donate but we've also expanded on how we reach new audiences.

While the pandemic has had a drastic impact on the UK's high streets, we innovated quickly to find new ways to trade. We're committed to selling anything of value across our retail estate for the best price possible – from homewares and furniture to electronics, accessories and fashion.

Even industrial or other items not normally associated with charity shops can be incredibly valuable, while also helping us support the re-use cycle. In addition, our specialist teams have the knowledge and skills to ensure that we obtain the maximum value for the Charity from items such as collectibles and designer fashion that our supporters generously donate to us.

Prior to the pandemic, creating more accessibility for people shopping online with us was a priority – whether that's for pre-loved items via our eBay and Depop stores, or our new goods range on our online shop. We also increased the number of Christmas cards available online and saw an incredible fivefold increase in online Christmas card sales.

We recognised our unique position in the market as a go-to retailer for medical devices such as blood pressure monitors and defibrillators, and have increased the range of items available on the website. Our blood pressure monitor sales more than tripled to £140,000, the overall range will be expanding this year to include oximeters and portable ECG monitors.

Support in the community

In the run-up to Christmas, our shop teams asked shoppers to consider adding a £1 donation at the till. This was part of a drive to find new ways to engage shoppers and make up for funds lost through lockdown. The campaign was a huge success as the local communities of each shop gave their support, and helped us raise almost £0.5m. We were truly humbled by such generosity during such a challenging time.

Making it easier to shop online

This year, despite all the challenges, the BHF achieved an incredible £3.7m in sales on our eBay store, also reaching the milestone of our one millionth eBay sale. This was supported by the expansion of our online office and warehouse, which positions us for future growth.

Thanks to the donors keeping us going

We recognise the generosity of donors who have continued to support us throughout the pandemic, raising £3.4m during this period.

We're incredibly grateful to the philanthropic individuals, trusts and foundations, and government funders that choose to partner with us. Thanks to your generosity, we can push forward and build on decades of world-leading heart and circulatory disease research; using the findings to improve the health and care of people living with these devastating conditions.

Leading contributors who are funding the Future Leaders of Cardiovascular Research

Garfield Weston Foundation
Haverstock Charitable Trust
Mr Charles Wilson and Dr Rowena Olegario

Leading contributors to the Big Beat Challenge

Mr Ranjit Singh Boparan
Dr Doug Gurr
The Lazari family
Thakrar Foundation

Leading contributors to the BHF Covid-19 Response, Patients First

Coronavirus Community Support Fund – UK Govt. funding, distributed by The National Lottery Community Fund
Moondance Foundation
Scottish Government Wellbeing Fund
Voluntary Services Emergency Fund – Welsh Govt. funding, distributed by WCVA

Recognising long-term commitment to funding our Cardiovascular Research

The Kathleen Laurence Trust
The Lazari family
The Peacock Charitable Trust
ShareGift

Leading contributor to a BHF Translational Award

The Amateurs Trust

2 December

UK becomes first country to approve Pfizer/BioNTech vaccine

Creative alternatives to live events

Aimee Fuller, former Team GB Olympic snowboarder, now broadcaster and podcast host

From the Olympics to the humble 5k Park Run, events of all kinds were postponed or cancelled to prevent the spread of Covid-19 – our portfolio of events was no different.

We had to postpone our flagship London to Brighton Bike Ride until 2022, alongside our Bournemouth Pier to Pier Swim, Scotland Kilt walks, Yorkshire 3 Peaks challenge, London to Brighton Off Road, and Peak District Mountain Bike Challenge. The good news is that more than 12,000 participants already signed up for these events were incredibly supportive and patient. The overwhelming majority chose to roll-over their tickets to later dates. This is further testament to the incredible support we get from our event champions.

Aimee Fuller, former Team GB Olympic snowboarder, broadcaster and cycling enthusiast, took part in the BHF's virtual cycling challenge - My Cycle January 2021 to encourage people to get cycling.

2 December

Our charity shops in England reopened

Creative fundraising challenges

Dechox

Could you give up chocolate in the middle of a pandemic?

That was the challenge facing our fundraising team. Chocoholics Unite focused on the urgency of raising funds for the BHF at this critical time, and called on chocoholics to unite across the UK.

Over 12,800 participants took on the Dechox challenge and raised over £425,000. This campaign has proved that chocoholics can create great change – even in a pandemic.

MyMarathon 2020

MyMarathon, our existing virtual event, was ready to launch when the pandemic hit. We were able to make adaptations to the event to reflect the global situation. Those who took part delivered an average gift of £188 – the highest average gift MyMarathon has seen to date.

My Step Challenge

My Step Challenge, a new virtual activity is a structured fitness programme to encourage people to stay active while they raised funds for the BHF. The activity attracted over 4,000 new and existing supporters.

The Weekly Flutter (Lottery)

We launched the Weekly Flutter in 2019, a new look and feel for our lottery, and have seen continued growth of the product ever since. Pausing our face to face fundraising activity in the last year has set us back but we've still increased our player base to over 40,000 and brought in £2.3m this year.

We're working hard on retaining players and have introduced a free prize draw initiative and a new digital player journey.

Omazing corporate partnerships

Travelodge

The British Heart Foundation has partnered with Travelodge since 2017 allowing customers to make a real difference to people with heart and circulatory diseases by rounding up their room booking or making a digital donation via Pennies. Travelodge, the UK's budget hotel brand, which operates 570 hotels, was the first hotel brand to partner with Pennies enabling customers to donate their pennies when booking a room at www.travelodge.co.uk.

Pennies, the fintech charity which runs the digital charity box, is designed to make giving to charity in the modern world, easy, quick and affordable with just one click. Thanks to customer donations through Pennies and staff fundraising activity, £0.5m has been raised over the years for the BHF.

Mindful Chef

On World Heart Day we were delighted to launch our new partnership with Mindful Chef - the UK's highest rated recipe box (source: Trustpilot). Our partnership with Mindful Chef sees both brands unite on a mission to raise awareness of how a healthy, balanced diet can help support heart and circulatory health. Every week customers can choose from two Mindful Chef recipes approved by BHF dietitians.

Omaze Partnership

In September 2020 we teamed up with Omaze where supporters could raise money for the BHF by entering a prize draw to win a house in London. This innovative new partnership has raised an extraordinary £0.9m for the BHF at a time when we need support for life saving research work more than ever before.

Fundraising in the community

Heart of Steel

Tesco round-up weekends

In response to the necessary cancellation of in-person fundraising events, Tesco has hosted two contactless fundraising appeals raising over £1m for the BHF and charity partners – Cancer Research UK and Diabetes UK.

In September 2020, Tesco asked its customers to round up their shopping bill to the nearest £1 to support the vital work of the British Heart Foundation, Cancer Research UK, and Diabetes UK. Over the 13-day in-store appeal, customer donations amounted to nearly £1.5m, with Tesco matching contributions to bring the total donation to the partner charities to an incredible £3 million.

The campaign was brought to life with marketing materials across their stores nationwide as well as being featured on 1,147 digital advertising boards within 1km of Tesco stores, and within customer emails. Our cause was put at the centre of a Tesco magazine article with featured Heart Story, Claire-Marie.

The Heart of Steel raises £1m

For tens of thousands of BHF supporters the Heart has become a special way to celebrate the lives of friends and family, or pay tribute to their memory. This gained a particular poignancy in lockdown, where landmark celebrations such as birthdays and Valentine's Day were held virtually, and funerals were forced to operate within strict regulations. An eight-foot tall, solid steel sculpture gifted to the BHF and currently on display at the Meadowhall Centre in Sheffield, the Heart of Steel enables supporters to permanently engrave their own or a loved one's name for a minimum donation of £20.

The Heart of Steel has now hit a fantastic milestone, raising over £1m in income for the BHF's life saving research.

Harnessing will power

Some of the biggest medical research advances in our 60-year history were made possible because of incredible individuals who left a gift to the BHF in their will. We recognised £77.6m from our gifts in wills income, including one of the highest single legacy gifts to the BHF of £2m. We cannot express our gratitude enough for the generosity of our supporters in such a challenging year.

Superhuman efforts bring big change

Emily Bain

Scottish schoolgirl swims the channel

In a year when traditional fundraising events were postponed or cancelled because of the pandemic, one young fundraiser came up with a novel way to raise money for us. Emily Bain from East Lothian swam 21 miles – the equivalent of crossing the channel from England to France – in her garden pool. Emily went to great lengths to complete a charity challenge in memory of her grandfather, who died after a heart attack. We're indebted to Emily for her incredible effort, and were delighted to see that she won a richly-deserved Young Local Hero Award from the Edinburgh Evening News.

Cardiff man covers 2021 miles in a month

Ben Swallow from Cardiff set himself a gruelling challenge in memory of his beloved grandfather, who lived with a heart condition and sadly passed away in December 2020.

Ben set himself a New Year challenge to cycle and run 2021 miles in the month of January. He wanted to raise money for the BHF as a way of remembering his grandfather and best friend Reggie.

As well as working as a fitness instructor and with another job working with children in care, Ben, 31, managed to cover up to 100 miles a day to meet his target on 31 January 2021.

Ben smashed his target of raising £1,000 for our life saving research and donated over £3,000 in total. Thanks to Ben's support we can continue to fund research into heart and circulatory diseases which cause around 25 deaths a day in Wales

Ben Swallow

Joan's winning walk

Joan Willett marked her 104th birthday by completing an epic fundraising challenge, which has raised more than £53,000.

The East Sussex centenarian, who had life saving heart surgery over 20 years ago, spent six weeks walking up and down the hill outside of her care home, clocking-up more than 17 miles.

During the six weeks, Joan's image was also broadcast over Piccadilly Circus, after the BHF received in-kind support to raise awareness of her challenge.

> "I am lost for words at the kindness of everyone and particularly strangers who have supported me and donated to the BHF for my walk from all over the country and even Australia!
>
> Joan Willett

British Heart Foundation

hank you Joan
se donate at bhf.org.uk/Joan
Disney + PIXAR +

Reflecting on the huge changes we have made this year

Embracing technology and staying on track

The last 12 months have seen city centres across the globe emptied of office workers, and a wholesale transformation in the way millions of us work. At the British Heart Foundation, we were better prepared than many organisations for the switch to home working and online meetings. Here's how we reinvented our ways of working for a rapidly changing world.

24 February 2021

18 million people have received their first dose of a Covid-19 vaccine in the UK

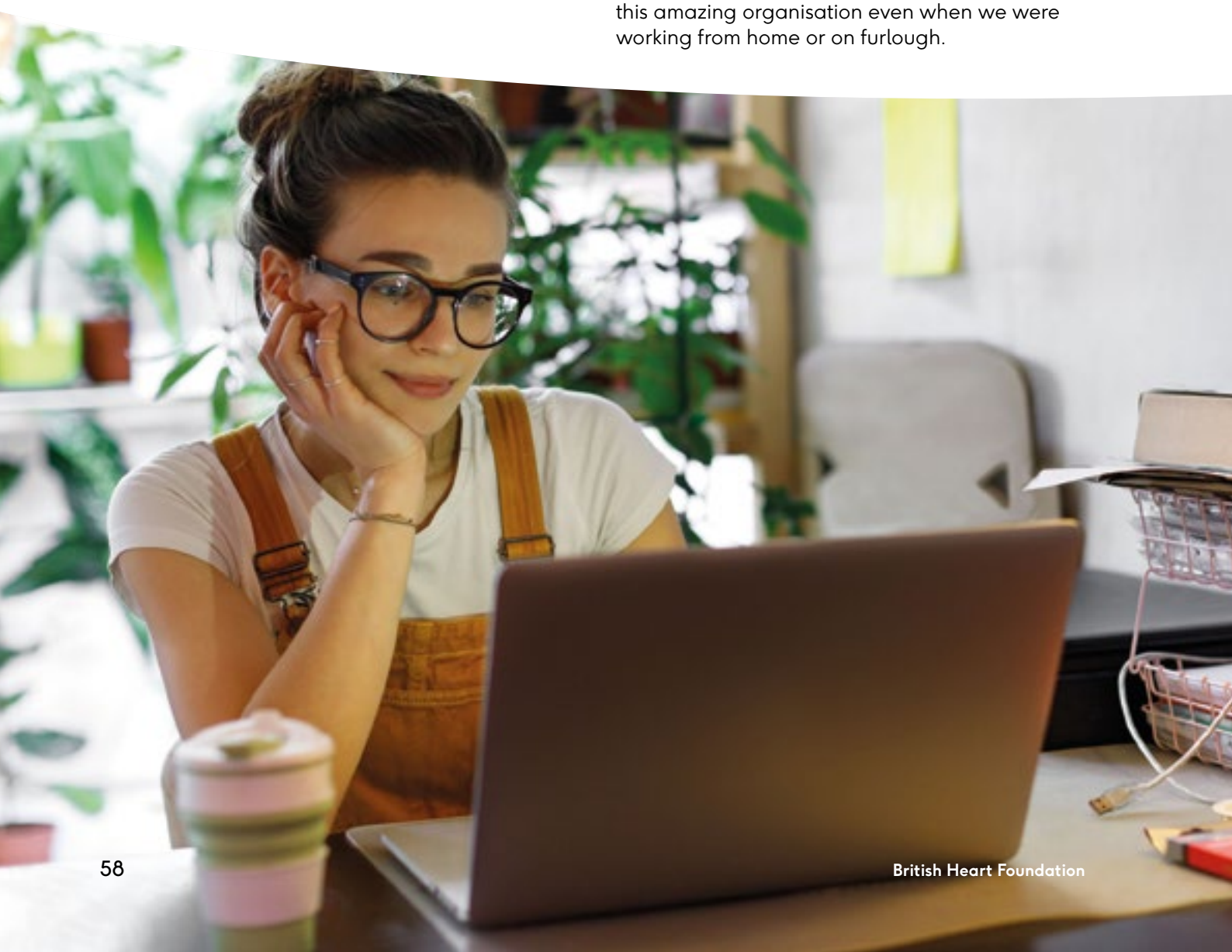
Carol Igfohose
Heart attack survivor, mother to Emmanuel and Caleb, GP

Evolving in an emergency

Our organisation looks different, and functions differently, as a result of the pandemic. Under pressure, we've had to make many decisions to adapt to the changing times and give our people the support they needed.

From the start of the pandemic, we drew together teams of experts across the organisation, scrutinising our options to help us make the best decisions at the right time. The Government made it clear that the pandemic mitigation measures would be with us for months rather than days, which gave us clarity and the stability to plan. We evaluated which roles had an immediate business critical need to return to the office, and only around 5.5% did.

Consequently, almost all our colleagues who had been office based have worked from home throughout the financial year. It was inspiring to see how swiftly we adapted to working from home, with technology enabling us to work well together. We shipped chairs and equipment to staff, offered flexible working hours, upgraded our IT systems to facilitate remote working and collaboration, and offered support and opportunities to protect staff wellbeing including ways to ensure we all still felt part of this amazing organisation even when we were working from home or on furlough.



Organisational changes

Even with support from the Government's Job Retention Scheme, our income shortfall forced us to make difficult decisions about cutting costs, and refining our organisational structure. Following an initial recruitment freeze, we undertook a wider review of our organisation which resulted in the loss of some 260 roles through already-vacant posts and redundancies, some of which were voluntary. We know this has been an immensely challenging time for everyone at the BHF and we are still working through the impact of these changes and ensuring that our mission continues at pace.

Staying connected

As the BHF has grown over the last 60 years, there were multiple telephone numbers, emails, addresses and no consistent BHF response to customer queries. So we have merged our customer services: in total 19 separate telephone numbers have been diverted into a new system and new team, along with multiple email addresses, live chats and letters. The new Customer Service team is here for all customers and colleagues at the BHF.

Telephone: 0300 330 3322
Email: heretohelp@bhf.org.uk

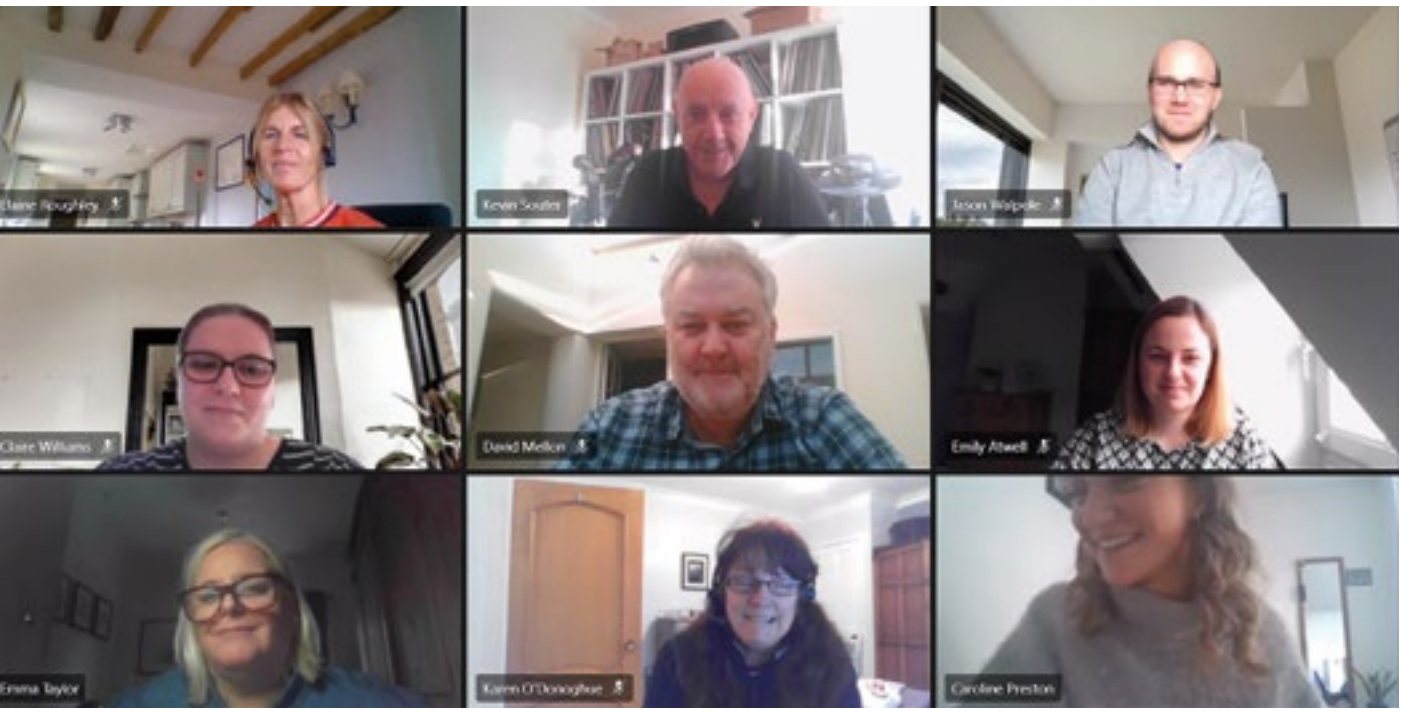
Our strategy in action 2020-21

- **We have had to reinvent how we work during the Covid-19 pandemic. We moved all colleagues to remote working, whilst improving our provision of wellbeing support and ensuring colleagues can work safely – whether they're in one of our shops or in an office.**
- **We have completed a sizable investment and change programme in our shops and stores, improving how they operate through new technology and processes.**

Future focus

- **We will apply the lessons we've learnt during our Covid-19 response to how we work in the future, making sure we maximise the opportunities for improved flexibility, wellbeing and effectiveness – making sure we work in a way that's the best for the BHF and our cause.**
- **We will recognise the varied experiences and difficulties staff and volunteers have, and continue to face, with the pandemic and making sure we have a safe, diverse and inclusive working environment for everyone.**
- **We will be equipping our leaders, managers and colleagues to unlock our people's full potential, inspire a deeper connection to our cause, and create an even stronger community of staff and volunteers supporting the work of the BHF.**
- **We will revisit our approach to strategic partnerships with external organisations, looking to understand the opportunities to maximise our impact through new/enhanced partnership working.**
- **We will further embed sustainable practices across the BHF and promote them in the wider sector (particularly in charity retail), to make sure we remain a leading force for good in society.**

Supporting our staff



Safety of our staff was always our primary consideration

Our People Experience is our initiative to strengthen the bonds between our employees and our volunteers. It's part of our core strategy, and also considers how it feels to work and volunteer at the BHF, why people join and why they stay. It's about creating a welcoming, inclusive environment where everyone's health and wellbeing comes first

It has framed our thinking and response through the pandemic. We have maintained a strong focus on communication and engagement with colleagues and how we need to respond and look after one another.

Whilst supporting staff wellbeing we have also had to focus on business continuity, overseeing furlough arrangements, Covid-19 related safeguarding issues, re-engaging with volunteers, revising health and safety guidance and crisis management communications.

Our Covid-19 response has accelerated the delivery of some ambitions. We have seen considerable shifts in utilising technology to collaborate, uptake of online learning and development opportunities, frequent pulse surveys for 'in the moment' feedback, improving our business continuity processes and our understanding of the wellbeing needs of our people. This is additionally true with our response to the Black Lives Matters movement, where we are accelerating the delivery of our diversity and inclusion action plan.

The engagement, resilience and adaptability that our people have demonstrated over the last year has demonstrated the immense strength of our existing culture and People Experience. It has also shown that our People Experience plans have the flexibility to respond to change, whilst also keeping us true to our ultimate ambitions and the organisation which we wish the BHF to be.

Supporting our retail teams

“As we come to the end of this lockdown – fingers crossed – I’d just like to thank you for the regular contact since the shops closed. It’s good to know that the volunteers are valued, and I look forward to being back at work.

Christine Fuller
The BHF Truro Shop

Christine Fuller

Keeping our retail teams safe

From the start of the pandemic, our priority has been to support and protect the health and wellbeing of our c.3,500 retail staff and c.16,000 retail volunteers – some of whom we knew would be affected by necessary shielding due to pre-existing conditions, or were living with heart and circulatory diseases.

To get our shops back up and running, we needed to go above and beyond to create an environment where they could feel safe and supported every time they walked through the door. As well as working tirelessly to ensure our shops were operating within the new Government guidelines, we also wanted to maintain a line of contact to those colleagues and volunteers who were unable to return just yet, to ensure we were supporting their wellbeing – particularly for people who choose to volunteer with us to combat loneliness.

This included a weekly newsletter that was circulated to thousands of volunteers, regular updates to our Volunteer Hub, localised activities driven by local retail teams in their communities and live online events specifically for our volunteers.

Through this activity we have seen incredible engagement, often resulting in shared stories directly to the volunteering team. Ensuring we maintained that communication both as a charity, but on the ground locally, has been vital to our hugely valued volunteer network, who will be a crucial part of our shops reopening and our recovery from the pandemic.

Action on equality and diversity

Our push for equality and diversity takes many forms, including how we manage our organisation, and how our research funding helps to tackle health inequality.

Reducing health inequalities in heart and circulatory disease is an important part of our strategy to 2030. The ongoing work of Kaleidoscope, our diversity and inclusion group, demonstrates a similar commitment to improving equity, diversity and inclusion for our staff and volunteers. Discussion around how far the BHF could bring together all the different aspects of our diversity work, patients, research, our people; into one clear strategy is underway.

We are now nearly a year into our Diversity & Inclusion (D&I) action plan. We have progressed several initiatives, including creating several affinity groups (including returning mothers and Black colleagues), unconscious bias training, thought leadership activity on transitioning, impact of the Black Lives Matter campaign, and a partnership with Mixedracefaces.

Kaleidoscope, which has been responsible for creating elements of the plan and challenging the BHF's progress, has had a number of external attendees at its sessions, which have included the Committee's Chair Denise Collis. The focus for the year ahead is supporting people with disabilities.

4 January

Brian Pinker becomes first British person to receive the Oxford/AstraZeneca vaccine

Thank you to our volunteers

Our volunteers help fund our work by giving their time in our shops, at our fundraising events and by fundraising in their local communities. We are deeply grateful for all the support from our volunteers during the pandemic.

Shop closures, re-openings, and rising coronavirus cases have made it difficult to retain and recruit shop and store based colleagues. We've made great efforts to keep in touch with retail and fundraising volunteers, through initiatives like newsletters, updates to our Volunteer Hub, local community activities, and online events specifically for volunteers.

Recruitment in Autumn 2020 saw a significant shift in the new volunteer demographics to volunteers under age 45. We are promoting the BHF as a great place for work experience and to develop skills and qualifications to enhance your CV while volunteering with us.

We are developing a new volunteer management system which will enhance the online application process. We also continue to make improvements in our training materials and recognition processes.

> **"If anyone is thinking about doing the Duke of Edinburgh's Award, I strongly recommend volunteering or fundraising for the BHF. They have been supportive and encouraging every step of the way.**
> **Jack Williams**

Jack Williams

Duke of Edinburgh's (DofE) Award

Young Duke of Edinburgh's Award participants have been able to complete their volunteering section through virtual fundraising with the BHF.

Jack is doing his DofE Bronze Award and this is his fundraising story:

"Covid-19 was going to make my Duke of Edinburgh's Bronze award different to what I originally thought. I knew volunteering was going to be tricky, but I found the BHF website, and they had some great ideas for changing volunteering into fundraising instead. I contacted the BHF and received an email back from my great DofE assessor who was so encouraging and supportive I knew instantly I wanted to work hard to raise as much money as I could.

"My highlight to date has been my first online quiz. I asked teams to pay £5 (or more) to take part. On the night I had 15 teams, it was a great fun evening and everyone that took part messaged me after to say what a great night it was."

25 January

BHF-funded research discovers genetic breakthrough to target care for deadly heart condition

Making sustainable choices

Our Sustainability Programme is the framework we use to shape our medium-term approach and monitor and improve our performance, both within our own operations and the wider supply chain.

The Programme focuses on the aspects of sustainability that are most relevant for the BHF and our stakeholders, measuring our impacts, targeting our responses and framing our collaboration with key stakeholders to scale our efforts. We're striving to mitigate long-term supply chain risks, increase resilience and self-reliance, and improve stewardship of resources and energy and alignment with air quality objectives.

Despite obvious challenges, we have made progress this year. We created a Sustainability Programme Board to coordinate projects.

The BHF retail network of stores and online platforms are a powerful engine for sustainable re-use and circulation of resources, driven by donated goods and teams of volunteers and staff. The items we re-use and recycle have a significant positive environmental impact, enabling lower greenhouse gas emissions, reducing pressure on natural habitats for raw materials and conserving limited resources such as rare metals and water.

Key impacts and priorities

To identify our priorities, we carried out a materiality assessment, consulting staff, volunteers and our stakeholders on what mattered most to them, and we looked at our main sustainability impacts. We grouped our areas of activity into five themes and mapped them against the United Nations Sustainable Development Goals for 2030 – an internationally recognised framework for action. Within each theme we have set goals – what we want to achieve – and measures – how we know we have achieved these – against which we monitor progress.

23 March

The anniversary of the UK's first lockdown

of items saved from going to waste in a typical year

Measuring and categorising goods

Every year we gather data on donated goods and categorise the volume of goods that are re-used, recycled and disposed.

We continue to develop our analysis, with a current focus on reviewing the carbon conversion factors we apply, which measure the impact of re-use and recycling for each material stream in terms of avoided greenhouse gas emissions.

Fleet performance

This year the Energy Saving Trust carried out a Fleet Review on the BHF cars and vans.

The review analysed the emissions associated with our vehicles and a section of those used by contractors and the environmental and financial implications of alternatives.

The review highlighted some helpful improvements to our data analysis relevant policies. It also provided an assessment on the current viability of electric vans which was carefully considered. Unfortunately the electric vehicles currently available would not meet our needs for loading and transporting furniture and heavy electrical goods (which make up the majority of the BHF van loads).

This was due to a combination of weight constraints, limited range, affordability and the need for specialised charging infrastructure. We will carry out further research and maintain a dialogue with suppliers to ensure the BHF vans are the cleanest commercially available in terms of greenhouse gas emissions and contribution to air quality.

Streamlined energy and carbon reporting

The BHF is reporting for the second time under the Streamlined Energy and Carbon Reporting regulations. The relevant disclosures are included on page 73 and 74, which highlight a significant reduction in energy consumption in the last year primarily due to the disruption to our Retail operations from Covid-19 restrictions. In addition, as well as the general progress described above, specific areas of improvement included:

- We have invested in a cleaner fleet with 67 new vans compliant with Euro 6 technology. Our fleet is now 100% Euro 6, delivering an improvement in greenhouse gas and harmful emissions.
- We have switched to a 100% renewable electricity tariff to power our buildings.

26 March

The BHF welcomes introduction of opt-out organ donation law in Scotland

Financial review

Lesley Jackson
Vascular dementia patient, mother, grandmother

Keep donating and shopping to help support our work

The last year has been the most difficult in the BHF's 60-year history and ongoing shop closures have had a huge impact on our income, but as we approach our milestone birthday, we are incredibly touched by the continued loyalty, dedication and support from our staff, volunteers and customers alike. Your ongoing support will enable us to save and improve the lives of the millions of people affected by heart and circulatory diseases across the UK.

29 March 2021

Lockdown rules ease in England as part of the Prime Minister's roadmap

Financial review

Overview

This was undoubtedly one of the most challenging years in the 60-year history of the BHF. The Covid-19 (coronavirus) pandemic led to the required closure of our shops and stores for various periods through the year, which together represented the loss of 8 months of trade. Despite some limited mitigation from our growing online presence, these closures had a huge impact on the retail sales performance and therefore profitability. Conversely net income from fundraising and legacies remained robust, reflecting the ongoing generosity of our many supporters, volunteers and partners, as well as very tight control of our cost base. Overall in 2020-21, the BHF generated total net income of £57.2m (2020: £107.6m), a £50.4m or 47% reduction on the level achieved in the prior year. This variance principally reflected the impact of a £40.5m loss from retail trading activities, caused by the required closure of shops and stores as non-essential retail.

Conversely, net income from other sources was only £0.2m down year on year, with a reduction in total legacy, fundraising, investment and other income (together down by £15.1m or 11%) offset by a £14.9m or 34% cut in direct costs to generate funds. This adjustment to our cost base, which involved some difficult decisions including a restructuring that led to the loss of a number of loyal colleagues, helped mitigate the impact of the pandemic. However, the scale of disruption to our Retail operation meant that the proportion of total income available for charitable purposes fell to 67% from 71%, below our target level. Whilst there remains the potential for further disruption from the ongoing pandemic, the successful reopening of our retail business in the new financial year is an important step towards once again ensuring that at least 70p in the £1 is available to spend on our life saving work.

Despite the impact of Covid-19 on our income, during 2020-21 we were still able to invest £74.2m (2020: £127.6m) in delivering our charitable mission, including net investment of £49.7m in

Statement of financial activity – Summary

	2021	2020	Movement
	£m	£m	%
Legacy income	**77.6**	80.8	(4)
Fundraising income[1]	**43.9**	53.9	(19)
Retail net (loss)/profit[2]	**(40.5)**	9.7	(518)
Investment and other income[3]	**4.6**	6.5	(29)
Total income (net of retail costs)	**85.6**	150.9	(43)
Direct costs of generating funds[4]	**(28.4)**	(43.3)	(34)
Total net income	**57.2**	107.6	(47)
% of total income available for charitable purposes	**67%**	71%	
Research	**(49.7)**	(93.1)	(47)
Healthcare Innovation	**(24.5)**	(34.5)	(29)
Total charitable expenditure	**(74.2)**	(127.6)	(42)
Net outgoing resources	**(17.0)**	(20.0)	(15)

Notes

1. Fundraising income comprises donations of £25.5m (2020: £34.2m), volunteer fundraising of £13.3m (2020: £14.9m) and income from fundraising trading activities of £5.1m (2020: £4.8m).
2. Retail net (loss)/profit comprises a retail net loss of £41.9m after Covid-19 government support (2020: net profit of £7.1m) offset by income from donations received in BHF shops of £1.4m (2020: £2.6m).
3. Investment and other income includes income from charitable activities of £0.1m (2019: £nil), investment income of £2.7m (2019: £6.5m) and Covid-19 government support (non-trading) of £1.8m (2019: £nil).
4. Direct cost of generating funds comprises total fundraising costs of £27.4m (2020: £40.0m) and costs of fundraising trading of £1.0m (2020: £3.3m).

medical research (2020: £93.1m). This reflected our continuing strong commitment to funding research into all heart and circulatory diseases and their risk factors, with £51.9m of new research grants awarded in the year (2020: £99.7m) and all existing commitments honoured as they fell due. In addition, £24.5m (2020: £34.5m) was invested in Healthcare Innovation, supporting families affected by heart and circulatory disease with support and information during the pandemic. This resulted in an income and expenditure deficit for the year, before investment gains, of £17.0m (2020: £20.0m). Overall net income was £29.8m, inclusive of a £46.8m gain on investments as equity markets recovered strongly through the year. This compares to overall net expenditure of £36.8m in the prior year, inclusive of a £16.8m loss on investments.

As set out in the Group Statement of Financial Activities, our total expenditure for this year was £242.3m (2020: £356.5m), of which £140.7m (2020: £188.9m) was directly attributable to our trading activities, primarily our retail business.

Net Income

In 2020-21, we generated total income of £85.6m (2020: £150.9m), inclusive of the (loss)/profit generated by our retail trading activities, towards our vision of a world free from the fear of heart and circulatory diseases. This represented a decrease of £65.3m or 43% on last year, principally reflecting a £40.5m loss from retail trading activities, caused by the required closure of our shops and stores for some 8 months of the year. Legacies remain our largest single source of income at £77.6m, down 4% on the prior year (2020: £80.8m). Income from other fundraising activities fell by £10.0m or 19% in the year to £43.9m (2020: £53.9m), reflecting the loss of income from fundraising events such as the London Marathon and London to Brighton Bike Ride which were cancelled due to Covid-19, offset by a strong performance across areas including individual giving and corporate partnerships.

In BHF Retail, we have the largest charity retailer in the UK and one of the largest eBay charity retailers in the world. During 2019-20 the business was trading well in very challenging market conditions, generating a profit of £9.7m despite the complete closure of income-generating activities from 19 March. This closure during the UK's first national lockdown was followed by further restrictions to trade, including the whole of the final quarter of the financial year. Overall, our shops and stores, as non-essential retail, were unable to trade for some 8 months of the year, with restrictions also on our ability to operate online. Consequently, a significant proportion of the retail team were placed on furlough for extended periods, with applications made for additional support available to affected businesses. The net result of this year of unprecedented challenge and disruption was a net loss of £40.5m, inclusive of £31.6m of furlough and other government support.

Gross retail income, including donations received in BHF shops and Covid-19 government support was £99.2m compared to £195.3m in 2019-20, a reduction of 49%. Total retail trading costs were £139.7m (2020: £185.6m), a 25% decrease on the prior year reflecting the actions taken to manage costs, including an organisational restructure and working with landlords to secure reductions to rent during periods of closure.

As at 31 March 2021, the BHF operated 729 shops (2020: 750), including 541 standard outlets (2020: 553) and 188 Home stores (2020: 197). During 2020-21, we opened 4 new standard outlets and 2 Home stores and closed a total of 27 shops and stores. We continue to review the store portfolio with an ongoing objective of increasing lease flexibility and reducing fixed cost.

Online channels continued to perform well, although the eBay operation was also closed for part of the year due to Covid-19, with total online sales of £4.7m in the year, compared to £6.7m in 2019-20.

During the financial year, investment in the direct costs of generating funds decreased by 34% to £28.4m (2020: £43.3m), reflecting actions taken to manage costs including the organisational restructure. As a result, the BHF generated £57.2m of net income for charitable purposes in the financial year, a 47% reduction on the prior year (2020: £107.6m).

Financial review

Charitable expenditure

During 2020-21, our charitable expenditure totalled £74.2m, down from £127.6m in 2019-20. The reduction in income due to the closure of shops and cancellation of events meant that we were forced to reduce funding for new research to £51.9m, from £99.7m in 2019-20, a 48% reduction. We maintained our commitment to existing grants and offered researchers the opportunity to apply for Covid-19 grant extensions. After adjusting for cancellations and discounting as outlined below, and including allocated support costs, research expenditure is reported as a total investment of £49.7m (2020: £93.1m). In addition, £24.5m (2020: £34.5m) was invested to fund Healthcare Innovation activities, with a focus on supporting those affected by heart and circulatory diseases during the pandemic.

As noted above, our five research funding committees awarded 121 new research grants worth £51.9m (2020: £99.7m), including supplements made to new and existing grants. The Chairs and Programme Grants Committee spent £15.8m funding a range of research projects including £5.5m for programme grants, £2.2m for special projects and £3.8m to fund years 4 and 5 of existing grants. Total research investment also included £21.1m for fellowships (including funding for 43 new students on 4-year PhD programmes), £11.5m for project grants, £2.2m for clinical studies and £1.3m for translational awards (representing expected payments to the completion of the next milestone). As at 31 March 2021, 129 grants had been awarded costed and no-cost extensions at a cost of £0.4m due to the disruption caused by Covid-19 to the completion of the funded projects.

The total reported investment in research of £49.7m (2020: £93.1m) is different to the total new grants awarded because it reflects allowances for the experience that the majority of grants are not claimed in full, the application of a discount factor to reflect the long-term nature of the majority of the grant liabilities, as well as relevant BHF staff and support costs.

The investment in Healthcare Innovation of £24.5m (2020: £34.5m) was focused on supporting those affected by heart and circulatory disease during the pandemic. Significant areas of investment included the work of our Involve teams, who focused on engaging more people in their health and care, and in the work of the BHF, to improve outcomes and generate support. In 2020-21, we invested £3.4m in this programme (2020: £6.0m) to provide information and support online through our health content, including the Coronavirus Information Hub, support the Heart Helpline and offering virtual events and peer support for young people with heart conditions.

We continued to invest in innovation, with £1.7m (2020: £3.1m) going to our Innovate area, which works with the NHS, industry, academia and other partners to test, develop and evaluate new products and services. In 2020-21, the focus was on developing The Circuit: National Defibrillator Network, which will help to save more lives from out-of-hospital cardiac arrests by allowing bystanders to be directed to their nearest defibrillator.

Our Influence function focuses on evidence-based policy making and influencing of key government and health system decision-makers with a team based throughout the UK. In this financial year, we spent £3.1m (2020: £5.6m) to support this programme and £0.3m in the health intelligence function (2020: £0.3m) which supports insight-led prioritisation and decision-making activities across Healthcare Innovation and the rest of the BHF.

Alongside these activities, we spent £7.5m (2020: £10.4m) on marketing and communications as part of our charitable activities to ensure people understand the BHF's mission. Our marketing and engagement programme raises awareness of our many research breakthroughs as well as delivering information to help people better understand and manage their health. In particular they played a key role in supporting the NHS message encouraging people with heart attacks symptoms to dial 999 resulting in an uplift in hospital admissions.

Balance sheet

As at 31 March 2021, total cash, deposits and investments were £254.6m, a decrease of £3.5m in the year. This reflected the application of cash resources to protect the BHF and its mission through this year of challenge, offset by the strong recovery in equity markets which generated a £46.8m gain on investments (2020: £16.8m loss on investments).

Our cash and investment portfolio is held to help us ensure we are always in the position to settle grant commitments. On the balance sheet the total provision was £318.9m as at 31 March 2021 (2020: £348.0m). Grants awarded are commitments by the BHF to reimburse recipients for expenditure properly incurred in accordance with grant agreement. It is our policy to provide for the total expected commitment at the point a grant is agreed and communicated to the grantee.

However, there is often a substantial time lapse between recording a new grant award in our financial statements and its subsequent payment, and the full grant commitment may not be utilised in full. These factors are reflected in the year-end provision.

At the end of the financial year, the BHF Group is reporting total net assets of £49.2m compared to £19.4m last year. Total Unrestricted Funds in the Group balance sheet showed a surplus of £24.6m (2020: deficit of £7.1m). The increase in net assets principally reflects the reduction in the grant liability and the gain in the value of the equity portfolio due to the strong performance of equity markets.

Although Total Unrestricted Funds have returned to surplus this year end, after careful consideration the Trustees remain of the view that a deficit on reserves is a position that could be maintained in the longer term, taking into account the relatively long-term nature of the BHF's grant liabilities, our cash and investment portfolio and the considerable diversity of our fundraising activities, including legacies, which provide ongoing cash resources to fund research grant liabilities. Of the total research liabilities of £318.9m, £212.7m are long-term and will be funded, in part, by income generated in future years. As outlined in the reserves policy below, the key measure of sustainability for the BHF is current and future liquidity cover.

Reserves policy

The Board of Trustees considers the key measure of sustainability for the BHF to be current and future liquidity cover, rather than the surplus or deficit accounting position. Consequently, Trustees have set an appropriate reserves policy which is reviewed annually relating to liquidity, based on the relationship between readily realisable assets and the cash required to settle grant liabilities and sustain the BHF's operations for an anticipated period, as explained below.

Trustees have decided that, after an allowance for future income expectations (including an assessment of the potential loss from an extended interruption to retail trade), the BHF should at all times maintain cash and readily realisable assets sufficient to fund between not less than 12 and not more than 24 months of forecast cash outflow to settle grant awards, plus 12 months of non-retail

Reserves and grant commitments

	2021	2020
	£m	£m
Equity growth portfolio (including cash held for investment purposes)	**124.1**	153.6
Short-dated corporate bond portfolio	**25.3**	35.7
Cash and cash equivalents	**105.2**	68.8
Total Cash and investments	**254.6**	258.1
Grants – year end provision	**318.9**	348.0
Unrestricted funds	**24.6**	(7.1)
Total funds	**49.2**	19.4

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operating costs (excluding direct costs of income generation). The inclusion of an allowance for the potential loss from an extended interruption to retail trade in the assessment of reserves represents a revision to the policy as agreed by Trustees during the financial year.

In the event of the BHF facing difficult financial circumstances, these reserves would allow us to both meet our responsibilities to grant holders and for operations to continue during a period of managed adjustment to these new circumstances. Based on the current grants position, this policy requires us to hold between £113m and £161m in liquid and readily realisable assets.

At 31 March 2021, our total cash, deposits and investments of £254.6m were therefore significantly above the upper end of the reserves range. Our strategic plans assumed the excess would reduce over the medium term, as we had been awarding total research grants at a level above our net income generated after non-research charitable spend. However, with the material impact of Covid-19 on income generation in 2020-21, and the continued uncertainty of outlook, we now anticipate the excess will be applied in protecting our charitable mission in the shorter term.

Investment policy and performance

The BHF held total cash, deposits and investments of £254.6m as at 31 March 2021, a decrease of £3.5m on 2020. The BHF has three portfolios: an equity growth portfolio, a short-dated corporate bond portfolio and a cash portfolio.

The investment objective of the growth portfolio, which was valued at £124.1m as at 31 March 2021 (2020: £153.6m) is to provide real growth over a 5 to 10 year horizon. The growth portfolio consists almost entirely of equities. During 2020-21, a total of £75.9m was transferred to the cash portfolio to increase the BHF's liquidity position as the scale of the challenge represented by Covid-19 became apparent. This included the total balance on the UK equity portfolio. previously managed by Smith & Williamson Investment Management LLP, such that we now retain only a global equity portfolio managed by Schroder Investment Management Limited. Overall, the growth portfolio generated a total return, net of fees, for the year ended 31 March 2021 of 41.2%, against a benchmark of 35.8%.

In addition, a short-dated corporate bond portfolio was created during the 2017-18 financial year, which is managed by Royal London Asset Management Limited (RLAM), with £25.3m held as at 31 March 2021 (2020: £35.7m). The portfolio is constructed such that the coupon and maturity payments generated broadly match the forecast net cash requirements of the BHF's research funding commitments over the medium term. The short-dated corporate bond portfolio generated a total return, net of fees, for the year ended 31 March 2021 of 2.5%. The growth and short-dated corporate bond portfolios included a total of £2.8m of cash held for investment purposes as at 31 March 2021 (2020: £4.1m).

To balance short-term cash requirements and investment risks, our cash portfolio invests in short-term fixed interest investments also managed by RLAM, with £86.1m held as at 31 March 2021 (2020: £64.4m). These readily realisable investments are reported within the total Cash at Bank on the balance sheet of £105.2m (2020: £68.8m). The investment objective of the cash portfolio is to preserve the absolute capital value of the assets. The benchmark is to earn a return net of fees in excess of the 1 month inter-bank LIBOR rate. The RLAM cash portfolio generated a total return for the year ended 31 March 2021 of 0.3%, against the benchmark return of 0.02%.

Our investments are governed by investment and treasury policies that are reviewed by the Trustees on an annual basis. The policies are designed to balance the objective of maximising investment returns against the risk and liquidity of the investments.

All investment managers are asked to demonstrate effective systems of control, including annual compliance with the requirements of the ICAEW Audit and Assurance Faculty assurance framework (or equivalent) on internal controls. The total return on investments for the year (including net investment income) was a net gain of £48.6m (2020: net loss of £11.6m).

Responsible investment policy

The BHF is committed to investing its funds in a responsible manner and for the investment portfolio to be managed in accordance with the BHF's own charitable mission and values. This means having regard to best practice in Environmental, Social and Governance (ESG) issues.

The investment managers are expected to encourage good behaviour in the companies in which they invest and should promote sustainability, good business ethics, good employment practices and the transition to a low carbon economy. The BHF currently employs Schroder Investment Management Limited and Royal London Asset Management Limited to manage the investment portfolio. Both firms are signatories to the United Nations' Principles for Responsible Investment (UNPRI), integrate ESG and engagement fully into their investment processes and produce regular ESG reports.

There is a formal exclusion on investment in tobacco (defined as a company deriving more than 5% of turnover from the manufacture of tobacco or tobacco related products) and the investment portfolio is regularly monitored for its resilience to ESG and carbon risks.

Pensions

The BHF UK Retirement Plan, a defined contribution scheme, is available for employees to join at any time. Contributions made to the Plan during the financial year totalled £4.8m (2020: £4.7m). In addition, the Charity retains a funding obligation to the BHF UK-defined benefit pension scheme ('the Scheme'), which was closed to new entrants from 30 June 2001 and to future accrual from 31 May 2016. The Scheme remains subject to a formal triennial funding valuation, with the most recently completed being as at 1 July 2020. This showed a funding surplus of £2.0m, such that no additional employer contributions are currently required. The actuary carries out a separate annual valuation of the Scheme in accordance with 'FRS 102: Employee Benefits', in which different funding assumptions are applied. The FRS 102 valuation as at 31 March 2021 showed a surplus of £10.5m (2020: £15.5m). In accordance with FRS 102, this surplus is not recognised as an asset, on the basis that future economic benefits are not deemed available to the BHF in the form of a reduction in future contributions or a cash refund. This is further explained in note 14 to the financial statements.

Charitable activity in Scotland

The BHF has charity shops in Scotland and receives income from other fundraising activities undertaken in Scotland. In 2020-21, 23 research grants totalling £7.9m were awarded to the Universities of Aberdeen, Edinburgh, Glasgow, Glasgow Caledonian, Heriot Watt, St Andrews and Strathclyde. The Charity is registered in England, Wales, Scotland and Northern Ireland. Further information on our activities in each nation is available at bhf.org.uk.

Activity in the Isle of Man

The BHF is registered as a charity in the Isle of Man and has a fundraising group there. Despite the challenges of the pandemic, fundraising continued during 2020-21 with the support of the community and £21k was raised (2020:£36k).

Trading subsidiaries

The British Heart Foundation has three wholly owned trading subsidiary undertakings: British Heart Foundation Ventures Limited, BHF Shops Limited and London to Brighton Bike Ride Limited (dormant). The profit distributed to the Charity in the year from the subsidiaries was £2.0m (2020: £8.5m). Profits of trading subsidiaries are detailed in note 13 to the accounts.

Streamlined energy and carbon reporting

The BHF is reporting for the second time under the Streamlined Energy and Carbon Reporting regulations. This requires an annual report on greenhouse gas emissions from Scope 1 and 2 Electricity, Gas and Transport. This report has been compiled in line with the March 2019 BEIS 'Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance', and the EMA methodology for SECR Reporting. All measured emissions from

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activities which the organisation has financial control over are included as required under The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018, unless otherwise stated in the exclusions statement. The carbon figures have been calculated using the BEIS 2020 carbon conversion factors for all fuels, other than the market-based electricity, which has been taken from EDF as the UK supplier.

The BHF recognises the threats posed by climate change, pollution and resource depletion. Our Sustainability Programme is the framework we use to shape our medium-term approach and monitor and improve our performance, with progress on key initiatives reported on pages 64 and 65.

UK Carbon Footprint Data 2020-21

			2021	2020
Scope	**Description**		**tC02e**	tC02e
Scope 1	**Combustion of fuel on site and transportation**		**962**	1,896
Scope 2	**Purchased energy (electricity)**			
	Location based - UK grid		**2,404**	6,005
	Market based		**121**	196
Scope 3	**Supply chain emissions**			
	Location based - UK grid		**1,098**	3,130
	Market based		**756**	2,251
	Total location based		**4,464**	11,031
	Total market based		**1,839**	4,343
Intensity Ratio	**tC02e / £1m turnover**	**Location based**	**19.8**	32.8
		Market based	**8.2**	12.9

Energy usage

		2021	2020
Total consumed		**kWh**	kWh
Electricity		**10,311,605**	23,492,128
Natural gas		**4,003,163**	5,428,191
Vehicle fuel		**2,068,023**	6,970,485
Gas oil		**27,038**	19,128
Total		**16,409,829**	35,909,932
Electricity	**Carbon 0%**	**95%**	97%

Notes

The 2020 comparison period has been restated to include additional information now available including van driver emissions and landlord emissions billed separately.

Going concern

The Trustees must satisfy themselves as to the BHF's ability to continue as a going concern for a minimum of 12 months from the approval of the financial statements. At the current year end, this requires consideration of the continuing impact of Covid-19 on both the operations of the BHF and the wider economy.

The BHF had the benefit of entering this period of unprecedented challenge with total cash, deposits and investments of £258.1m, significantly above the upper end of the defined reserves range. As the scale of the pandemic became apparent, particularly its impact on our ability to trade, we transferred £75.9m from equities to our cash reserves to increase the liquidity and stability of our reserves. This provided additional assurance given, as a medical research funding charity with significant commitments at the balance sheet date, the focus of our reserves policy and our review of financial viability is that the BHF will continue to have access to sufficient liquid resources to meet its obligations as they fall due. As the year progressed and net income was impacted, we adjusted our cost base and levels of charitable investment, but continued to fund new research, as well as maintaining our commitment to existing grants. We also reviewed the reserves policy to incorporate learnings from the impact of the pandemic. Inclusive of the benefit of a strong recovery in equity markets, this meant we ended the financial year with total cash, deposits and investments of £254.6m, still significantly above the requirements of our revised reserves policy.

In the context of our investment and cash reserves, the Trustees reviewed financial forecasts beyond a period of 12 months from the approval of the financial statements. This included assessment of budgets, business plans and cash flow forecasts, inclusive of a stress-test downside scenario. The stress-test downside scenario assumes continued disruption to our income from Covid-19 or a comparable event throughout the forecast period combined with an ongoing fall in equity market levels consistent with that experienced in March 2020. The modelled reduction in income generation would have a direct impact on our capacity to deliver charitable mission, such that a comparable reduction in new medical research funding is assumed. On this basis, we would expect the BHF to retain access to adequate liquidity through the forecast period.

As a result of this review, the Trustees have a reasonable expectation that the Charity and the Group have adequate resources to continue in operational existence for the foreseeable future. As a consequence, they continue to support the going concern basis in accounting in preparing the annual financial statements.

Principal risks and uncertainties

Risk	Management
Impact of Covid-19 on our financial position and our ability to deliver our charitable mission.	2020-21 was a year without precedent for the BHF. Like for many other organisations, the financial and operational impact of Covid-19 surpassed our previous worst-case expectations. Our strong reserves position enabled us to manage our response; however, the reduction in income generation, particularly from the extended closure of our Retail operations, restricted investment in charitable expenditure in the year. Our principal risk mitigations fall into three categories: 1. **Increasing income and reducing expenditure** • Where necessary, we made use of the Coronavirus Job Retention Scheme and other government Covid-19 grant funding schemes. This support was particularly important for our Retail operations, which were unable to open for extended periods through the year. • Given trading restrictions, we sought and received financial and other support from our landlords and other suppliers and partners. • We successfully accelerated development of online platforms to support both our fundraising and Retail activities, which also included a Coronavirus Information Hub to provide up-to-date information and support for people with cardiovascular disease. 2. **Monitoring, review and management of the financial impact of Covid-19 impact on BHF finances:** • Regular monitoring and reforecasting of financial performance throughout the year. • Adjustments to our cash and investment reserves portfolio to prioritise liquidity, so as to ensure all research commitments would continue to be settled on a timely basis • Ongoing review of long-term financial forecasts aligned to the BHF's strategy to 2030 that target a diversification of income streams and incorporate an ongoing consideration of market and consumer trends. 3. **Ensuring we get most value out of the research spend we have already committed to as well as ensuring new awards are the most impactful:** • Introducing a framework for considering costed and no-cost extensions and introducing an additional prioritisation process for grant awards. • Advocating for the Government to safeguard research in the UK by adopting the Life Sciences - Charity Partnership Fund. • Use existing BHF-funded infrastructure to address urgent Covid-related research questions through our national Flagship Projects.
Impact of Covid-19 on our people and operations.	• Invoking the Crisis and Business Continuity Plan, incorporating managing our Covid-19 response through a gold, silver and bronze response group structure. • Horizon scanning and scenario planning to ensure we were prepared for potential future developments and restrictions. • Coordinating internal and external communications to ensured alignment with developing government guidance. • Introducing Covid safe measures in all shop and office locations when permitted to open, albeit we supported the vast majority of office-based staff to work from home throughout the year. • Wellbeing & Support Workstream was established to support managers and staff whilst working remotely to provide emotional and practical support, including the extension of Employee Assistance Programme to volunteers. • Where the need for organisational change was identified, ensuring this was informed through an appropriate consultation exercise and incorporated support for impacted colleagues. • Business Continuity Planning and monitoring the capacity of all teams to continue to deliver core activities. • Monitoring and testing of technology resilience. • Agile audits to understand the impact and lessons learned from key activities.

Risk	Management
Incidents that damage reputation and/ or negatively impact operations (including cyber security, serious fraud, major health and safety incidents, safeguarding and internal process failures).	• Proactive detection, monitoring, reporting, investigation of potential adverse events and incidents. • Proactive and reactive media management in place, including ongoing digital and traditional media monitoring. • Dedicated specialist resource is applied in key areas such as health and safety, risk and assurance, safeguarding and legal that support organisation-wide events and operations. • Continuing programme of health and safety improvements training is being delivered to strengthen our safety management system. • Continuing programme to drive IT improvements and strengthening of infrastructure and cyber security to protect BHF assets. • Review and reissue of Safeguarding policy, procedures and training. • Review and testing of incident management framework, business continuity and disaster recovery plans.
Changes in government policy, regulatory requirements and/or charity sector guidance negatively impact on the BHF's strategy and activities.	• BHF risk management, legal and fundraising compliance teams monitor public policy and the regulatory environment to ensure potential risks can be proactively managed. • Active programmes of advocacy, influencing and senior level engagement to ensure our views are shared. • Senior BHF and partner representation at key events and forums to help shape the research agenda.
BHF strategy and activities are not properly or sufficiently focused in order for the Charity to meet its objectives.	• The BHF's Strategy to 2030 sets out how we aim to play a leading role in achieving significant improvements in heart and circulatory health. • BHF's Executive Group and Trustees will continue to routinely scrutinise alignment with, and progress of the BHF strategy, in particular assessing the impact of Covid-19 on the ability of the organisation to meet its strategic aims. • The development of supporting programmes and operational plans are informed by internal and external subject matter experts. • Scrutiny and approval of research funding applications by international expert committees.
The BHF is exposed to financial risk and market movements through its cash and investment portfolios, and via the assets and liabilities of a defined benefit pension scheme.	• Expert financial advice informs investment and treasury policies that ensure our portfolio is adequately diversified and managed. • Oversight of investment performance by our Investment Committee, who monitor compliance and effectiveness of our investment and treasury policies. • The Trustees of the defined benefit scheme (closed to new members and future service accrual), in consultation with the BHF as sponsoring employer, ensure expert advice informs the Scheme's investment and liability management policies.
Attracting, developing and retaining talented staff in a competitive employment market, including a reliance on significant levels of volunteer support both in fundraising and Retail operations.	• Targeted communication during the uncertainties of Covid-19 to keep employees and volunteers engaged. • An active communication programme using our intranet site to ensure staff and volunteers are always informed on the BHF's strategy and the progress being achieved. • Monitoring of trends in the sector with regards to the impact of Brexit (staff and volunteering). • Regular benchmarking of compensation and benefits, including the impact of ethnicity and gender. • Talent management, development and succession planning programmes. • Ongoing campaigns to attract new, skilled volunteers, supported by an effective recruitment and on-boarding process.
Delivering effective change management through major process improvement programmes in support of the BHF Strategy.	• Application of portfolio management processes for effective requirements capture, supplier selection and project delivery. • Operations Board and Executive Group review, monitor and support all key change programmes ensuring appropriate governance and resourcing priorities are addressed. • Independent programme assurance of key change programmes.
Britain's withdrawal from the European Union has a negative impact on our ability to attract researchers, or collaborate with European research institutions.	• Prior to finalising the terms of the UK withdrawal from the EU in December, BHF monitored the potential for Brexit to impact on BHF's ability to maintain close working links with European research institutions, and the potential impact on our ability to attract top class researchers. • Maintaining bilateral agreements with appropriate European and global research institutions. • Engaging with BHF-funded researchers to better understand the impact. • Engaging with relevant umbrella organisations to advocate and influence in the interest of our beneficiaries.

Legal structure and governance

The British Heart Foundation is a company limited by guarantee, incorporated in England on 28 July 1961, and registered at Greater London House, 180 Hampstead Road, London NW1 7AW. Our Articles of Association were last amended on 31 March 2016 and provide for a limitation of member liability to £1. The BHF is a registered charity in England and Wales (charity number 225971), in Scotland (charity number SC039426) and on the Isle of Man (charity number 1295).

The Board of Trustees is responsible for the governance and strategy of the BHF. The Board is made up of up to 14 Trustees, comprising a mix of medically-qualified and lay members. Each Trustee is also a member of the Advisory Council. The Trustees have full legal responsibility for the actions of the BHF. Members are appointed for a renewable term of three years and are the directors of the company for the purposes of the Companies Act 2006.

The Board meets on a quarterly basis and delegates day-to-day responsibility for the running of the BHF to the Executive Group.

The Board also delegates specific responsibilities and activities to various sub-committees, including the Audit & Risk, Investment, Retail, Nominations and Remuneration & People committees. Our investment in research is overseen by five medical committees with responsibility for specific areas of research including the review of grant applications and other scientific award proposals. An organisation chart listing all our current committees can be found on page 79.

Our governance streams

Our committees and groups are arranged into one of three streams – Governance, Operational or Advisory. The BHF's governance structure has continued to operate effectively during the pandemic, with all Board, Committee and other management meetings taking place virtually, but as planned this year.

Governance stream

The Trustees have the ultimate responsibility for running the Charity, their principal duties being to set the strategic direction of the Charity and ensure that the Charity is solvent, properly run and delivers its charitable purposes. To ensure that all decisions are informed and appropriate, and where it is beneficial to the BHF, the Trustees have delegated certain tasks to directly accountable committees. These 'Governance Committees' are comprised of members with relevant specialist knowledge. There are currently three Governance Committees – Audit & Risk, Nominations and Remuneration & People – each of which has members who are independent of the Trustees and are experts in areas appropriate to their committee's work.

Operational stream

The operational committees review and make decisions on key operational matters on behalf of the Board of Trustees in the following areas:

i. Grants – members of our five research funding committees review and assess applications for grants for scientific, medical, clinical studies or translational research grants for work that will assist BHF to carry out its charitable activities. They also review the output and performance of grants throughout the lifetime of those awards.

ii. Investment – the Investment Committee recommends investment strategies and oversees investment performance in line with the BHF's aims, objectives and risk appetite.

Each operational committee operates within clearly defined delegated authority and budgetary limits set by the Board to further the strategic aims of the Charity.

Advisory communities

The BHF advisory communities cover specific areas of expertise, each designed to support BHF's key strategic themes. Working with supporters, specialist advisers, patient representatives and other key stakeholders to drive the new strategy through its key themes, these groups:

- provide tailored, expert support and advice to the Board and Executive Group;
- keep the Board apprised of major issues and concerns; and
- provide a forum for stakeholder involvement and consultation to inform the BHF's work.

The advisory communities currently include among other specialist advisory groups, the Retail Committee and together comprise the Advisory Council, Chaired by Professor Sir Kent Woods. Although the Advisory Council was unable to meet in 2020, an online conference is planned for 2021 to discuss BHF's response to Covid-19 and its impact on cardiovascular health.

Charity Governance Code

The Charity Governance Code is designed as a tool to support continuous improvement. The Board has reviewed and will regularly revisit the Code's key principles to ensure the highest standards of governance. Areas of particular focus this year have been:

Board effectiveness

The Board considers this a continual process and actively reviews board effectiveness throughout the year. Additionally this year, a formal Corporate Governance Audit was carried out by our internal audit partner. This included a review of our committee structure, decision making process, performance monitoring and overall compliance with the Charity Governance Code. The report findings were supportive of steps being taken to address board diversity and included a number of suggestions for consideration as part of the Nominations Committee's continued focus on this.

Board diversity and inclusion

The Board believes that a balance of skills, experience, knowledge and diversity in the broadest sense is vital to providing a variety of different perspectives to its discussions and enhancing the Board's decision-making. This is an area of active focus for the Nominations Committee and diversity, including gender and ethnicity, is considered as part of the annual board evaluation process. All new trustee appointments are evaluated against the existing skills, experience and knowledge on the Board, and for recent appointments the BHF has extended its search, and taken advice from specialist agencies to enhance and broaden the pool of candidates.

Legal structure and governance

Board of Trustees

Trustees act as the company directors of the BHF, and under charity law they have legal duties and responsibilities as Trustees.

We are pleased to welcome three new Trustees, Mark FitzPatrick, Professor Jill Pell and Professor Sir Munir Pirmohamed, who joined the Board of Trustees this year. The Board of Trustees is grateful to all our committee members for their support during this extremely challenging year. Our particular thanks go to Professor Dame Anna Dominiczak, Iain Mackay and Professor Liam Smeeth who retired from the Board of Trustees this year, having played a huge role in the direction of the BHF during their tenures.

Chair

Dr Douglas Gurr

Members

Dr Sarah Clarke MA MD FRCP FESC FACC

Daryl Fielding BSc

Mark FitzPatrick CA (from October 2020)

Karen Frank

Timothy Howe QC

Professor John Iredale FRCP FRSE FMedSci

Professor David Lomas
PhD ScD FHEA FRCP FMedSci

Professor Sussan Nourshargh
PhD FBPhS FSB FMedSci

Professor Jill Pell FMedSci FRSE CBE
(from October 2020)

Peter Phippen

Professor Munir Pirmohamed MB ChB (Hons)
PhD FRCP FRCP(E) FBPhS FFPM FMedSci
(from October 2020)

Professor Sir Kent Woods FMedSci

Retired during the year

Professor Dame Anna Dominiczak
DBE MD FRCP FAHA FRSE FMedSci
(to October 2020)

Iain Mackay MA CA (to October 2020)

Professor Liam Smeeth FRCGP PHD
(to October 2020)

Trustee recruitment, induction and training

The Nominations Committee is, amongst other things, responsible for recruiting members of the Board of Trustees and its committees. One of its aims is to ensure a broad mix of skills and backgrounds. The Nominations Committee meets regularly to review the composition of the Board of Trustees and its committees, and to act on any upcoming vacancies. Trustee and committee vacancies are advertised as necessary. The BHF will also approach individuals thought to have the right skills.

New Trustees and committee members are invited to spend time with members of the Executive Group as part of their induction. This is a chance to learn about the BHF and identify opportunities to become more involved with our work. Trustees are also invited to attend regular research site visits to learn more about BHF research, and additional training and updates are offered as appropriate.

Trustees' Duties in relation to Section 172 of the Companies Act 2006

The Trustees, as company directors of the BHF, must act in accordance with a set of general duties as detailed in Section 172 of the Companies Act 2006, which includes a duty to promote the success of the company, and in doing so have regard (amongst other matters) to:

- the likely consequences of any decision in the long term,
- the interests of the company's employees,
- the need to foster the company's business relationships with suppliers, customers and others,
- the impact of the company's operations on the community and the environment, and
- the desirability of the company maintaining a reputation for high standards of business conduct.

Throughout this report, we have summarised our governance framework, our values and

behaviours, and how we have engaged with stakeholders during the year. The Trustee Board has considered the views and needs of key stakeholders in Board discussions and decision making. The following paragraphs are not intended to be an exhaustive list, but are illustrative of how the Trustees have fulfilled these duties during the year:

Decision making

As part of their induction, the Trustees are briefed on their duties, which are fulfilled partly through the governance structure detailed on pages 78-79. The Board receives regular updates from the Chief Executive, and a Quarterly Strategic Performance Report, to provide assurance and assist the Trustees in their decision making. In addition to this, a detailed Risk Management Framework is used to identify and manage risks in all our activities.

During 2020-21, the Board of Trustees received additional operational updates, to support the business-critical decisions required to mitigate against the impact of Covid-19. It met virtually, and more frequently to assess the short and longer term impact on the delivery of BHF activities, and on staff, volunteers and other key stakeholders.

For further details on our Risk Management Framework and principal risks and uncertainties please refer to pages 76-77.

Stakeholder engagement – patients and those affected by heart and circulatory disease

The Board of Trustees recognises the disproportionate effect of the pandemic on people affected by heart and circulatory disease and agreed at the outbreak that a key priority for the BHF must be the provision of information and support to heart patients. To support this need we created our Coronavirus Information Hub and increased the capacity of our Heart Helpline to address a huge surge in demand for information and support.

For further details on how we have engaged with patients and those affected by heart and circulatory disease please refer to pages 28-41.

Stakeholder engagement – research and clinical community

Throughout the pandemic the Trustees have been conscious of the impact on the BHF's research community. The BHF has been proactive in supporting those who are able to continue their work, but many clinical researchers continue to support the NHS and our costed and no-cost extension processes remains open in full support of our researchers.

Information and resources to support both BHF-funded researchers, and cardiovascular clinicians during the coronavirus pandemic has been provided on the BHF website Covid-19 Hub.

For further details on the impact on the BHF's research please refer to pages 12-27.

Stakeholder engagement – our supporters

Lockdown and social distancing rules have limited many avenues of potential fundraising activity for charities this year. Faced with the cancellation or postponement of all our flagship fundraising events and third-party events such as the London Marathon, we received an incredibly understanding response from supporters signed up for these events. The BHF has been particularly cautious, recognising that many of our supporters are living with heart and circulatory diseases and are therefore at heightened risk of Covid-19 and its consequences. In order to mitigate this risk, the Board has overseen a shift to digital fundraising and other activities that can continue despite current limitations. We would like to thank all our supporters for their understanding and continued support during this time.

For further detail on our fundraising activities please refer to pages 45-56.

Stakeholder engagement – our staff and volunteers

During the year, the Remuneration & People Committee has assisted the Board of Trustees in fulfilling its governance duties in relation to staff and volunteers. The Remuneration & People Committee's remit is to review regular safeguarding reports on activity, learning

Legal structure and governance

and development, employee and volunteer engagement and initiatives relating to health at work, equality, diversity and inclusivity. The Remuneration & People Committee's role is to ensure that any concerns around culture or policy or people compliance are brought to the attention of the Trustees and assist them in promoting a culture whereby everyone at the BHF is treated equally and with respect, and is able to give of their best.

Throughout the pandemic, a priority for the Board of Trustees has been to ensure the safety and wellbeing of staff and volunteers. Increased levels of engagement with staff and volunteers, including those furloughed, has been provided in order to support mental health and wellbeing throughout this uncertain and challenging period. Knowing that many of our retail staff and volunteers would be affected by shielding or living with heart and circulatory diseases, the Board has provided oversight of a highly detailed programme of work to create environments in our shops and stores where staff and volunteers can feel safe and supported when our shops were able to reopen.

The Board has also provided oversight of organisational restructure and collective consultation process, and taken steps to minimise as far as possible the impact, and period of uncertainty for staff. However, the Board acknowledges how challenging this time has been for everyone at the BHF.

For further details on how we engage with our staff and volunteers please see pages 58-63.

Stakeholder engagement – business relationships with suppliers, customers, partners, landlords and others

The delivery of our charitable aims and objectives is dependent on a range of relationships with universities, suppliers and other business partners, and we are extremely grateful for the advice and direct financial support received from our business partners, landlords and other service providers during the past year. The Board has encouraged management to develop and maintain trusted partnerships with each, and expects our partners to be aligned with the values of the BHF. We seek always to act with honesty and integrity in all that we do to deliver the best value for money in our goal to beat heartbreak forever.

Partner organisations are expected to comply with the requirements of any professional standards, or trade bodies, depending on their activities, and all applicable laws, statutes, regulations and codes of practice relating to anti-bribery and anti-corruption.

The BHF has a zero-tolerance approach to modern slavery and we strive to act ethically and with integrity in all of our business dealings and relationships to ensure that modern slavery is not taking place anywhere in our own business or in any of our supply chains. We will also ensure that our approach to this issue is clear to our partner organisations.

Through building trusted partnerships and working with others we believe great progress can be made towards our vision of a world free from the fear of heart and circulatory diseases. In 2020-21 some of these partnerships have provided financial and practical support through a range of initiatives aimed at reducing any Covid-19 impacts.

Full details of our policies in relation to our business relationships with companies, suppliers, customers and others, including our supplier Terms & Conditions, statement on Modern Slavery, and Feedback & Complaints policy can be found at:

www.bhf.org.uk/what-we-do/our-policies

Stakeholder engagement – policy and key opinion leaders

Throughout the year, the BHF has maintained strong and effective relationships with communities, key opinion leaders, the NHS and government to help shape and inform our policies and further our objectives in support of the prevention, treatment and care of heart patients. We have also worked closely with other medical research charities in pursuing shared

policy outcomes. The BHF also played a key role in influencing the NHS Long Term Plan, and heart and circulatory disease is one of the priority areas.

Sustainability and Environmental Impact

The Board recognises the threats posed by climate change, pollution and resource depletion and the need to address these through effective and ethical decision making. We have a programme of activities in support of our new Sustainability Policy with a series of commitments to ensure that our environmental, social and economic impact are considered.

Further information on our sustainability initiatives can be found on pages 64-65, and our Streamlined Energy and Carbon Reporting on pages 73 and 74.

Public benefit

In reviewing our aims and objectives, and planning future activities, the Trustees have taken into account the Charity Commission's general guidance on public benefit. The Trustees always ensure that the activities undertaken are in line with the charitable objectives and aims of the BHF.

As highlighted earlier in this report, some of our health promotion, care and communications initiatives are specifically targeted at those population groups most at risk of heart and circulatory diseases, due to ethnic, social or economic factors. However, by their very nature, all our charitable activities are undertaken for the benefit of the public.

BHF Fundraising

The BHF is registered with the Fundraising Regulator and we, along with all fundraising partner organisations are committed to meeting the standards set out in the Code of Fundraising Practice:

www.fundraisingregulator.org.uk/code

Fundraising activity and overall strategy is regularly addressed by the Board of Trustees in exercise of their duties under CC20 Charity Commission guidance. They, together with our Audit and Risk Committee, monitor significant risks and ensure they are being properly addressed.

The Executive Group has oversight of all fundraising activities and monitors performance against key indicators to identify any significant challenges or changes that are required.

Fundraising on our behalf

All public fundraising including doorstep, private site and community based activities were paused in line with UK Government guidelines on the Covid-19 pandemic. We will continue to monitor all public fundraisers through our dedicated mystery shopping, training evaluation, doorstep shadowing and telephone call monitoring programme in line with the requirements set out in The Charities (Protection and Social Investment) Act 2016 when activities resume in April 2021. We will ensure that BHF fundraising staff deliver formal fundraising training to all agency partners throughout the year.

Vulnerable people

The BHF recognises our responsibility and are committed to acting appropriately and with compassion when engaging with vulnerable or potentially vulnerable people. Our Vulnerable Supporters Policy applies to all our fundraising activities and ensures that we are protecting the public from undue pressure to donate, as well as identifying potential vulnerabilities.

Complaints

From the millions of contacts we have with supporters each year, in 2020-21 we received 139 complaints about our fundraising practices (2019-20, 618 complaints). We take all complaints very seriously and respond according to our Complaints Policy. We received no complaint investigations via the Fundraising Regulator in 2020-21.

At every board meeting, the Board of Trustees receives a 'Voice of the Customer Report' including the results of the latest online surveys in order to understand the views and concerns of our customers and supporters across all our activities.

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Grant award policies

We only award science research grants after a formal, detailed application process and a comprehensive peer review. For in-depth information on research expenditure, the grant-award process and application guidelines, visit:

www.bhf.org.uk/for-professionals/information-for-researchers

Executive Group

The Executive Group is responsible for the day-to-day running of the BHF under authority delegated to it by the Board of Trustees. It proposes to the Board of Trustees where the BHF should invest its time, money and expertise, including an annual discussion of strategy supported by financial forecasts. It proposes an annual operating budget to the Board of Trustees for approval and monitors financial performance accordingly. As part of this year's restructure, our Medical and Healthcare Innovation directorates were merged into a single team led by the Medical Director, and our marketing, fundraising and engagement activities were integrated to a single team, led by our new Director of Marketing, Fundraising & Engagement. The Executive Board members are detailed below:

Chief Executive
Dr Charmaine Griffiths

Medical Director
Professor Sir Nilesh Samani

Chief Technology Officer
Ursula Dolton

Chief Financial Officer
Martin Miles FCA

Executive Director of Marketing, Fundraising & Engagement
Claire Sadler (from January 2021)

Executive Director of People & Organisational Development
Kerry Smith

Commercial Director
Mike Taylor

Departed during the year

Director of Fundraising
Amanda Bringans (to October 2020)

Director of Marketing & Engagement
Carolan Davidge (to February 2021)

Director of Healthcare Innovation
Jacob West (to December 2020)

Company Secretary

Head of Legal & Governance and Company Secretary
Sam Ryan

Our staff and volunteers

None of our life saving work would be possible without the dedication and hard work of volunteers, supporters and staff.

At 31 March 2021 we had a paid workforce of 3,990, spread right across the UK, (3,340 of whom are employed in our retail operation). The full-time equivalent headcount is detailed within note 4 to the accounts on page 101.

To many people across the UK, volunteers are the public face of our charity. We are extremely grateful to our c.18,000 retail and fundraising volunteers for their continued support during this challenging period.

Since the outbreak of Covid-19 a key priority has been to safeguard the health and wellbeing of our staff and volunteers. Staff have been encouraged to work from home where possible, but unfortunately our shops have been forced to close for much of the year, and many of our staff have been furloughed with support from the Government's Job Retention Scheme.

Increased levels of engagement with staff and volunteers, including those furloughed, has been provided in order to support mental health and wellbeing throughout this challenging period. Detailed processes and safety measures have been put in place in accordance with Government guidelines, to protect our staff, volunteers and customers in our newly re-opened

stores, and although the BHF's infrastructure continues to support effective remote working, the decision to re-open offices gradually will be taken when safe and appropriate to do so, and always in accordance with Government advice.

As described earlier in the report, as the scale of the financial challenge we faced became apparent, we undertook an organisational review which led us to entering into a consultation programme with c.300 staff members in order to consolidate and protect certain activities and reduce operating costs. As a result of that process, 100 roles were made redundant and over 160 budgeted roles were left vacant following a recruitment freeze.

These changes included our Medical and Healthcare Innovation directorates merging into a single team led by our Medical Director. We have also integrated our marketing, fundraising and engagement activities into a single team, led by our new Director of Marketing, Fundraising & Engagement. We believe this better positions us to deliver on our strategy to 2030 which puts patients at the heart of our work to inspire support for our life saving research.

The BHF is committed to employment policies which follow best practice, based on equal opportunities for all employees, irrespective of gender, ethnicity, religion, sexual orientation, age, employment status, disability or marital status.

The BHF gives full and fair consideration to applications for employment from people with disabilities, having regard to their particular aptitudes and abilities. All reasonable adjustments are made for the continued employment and training, career development and promotion of people with disabilities employed by the BHF. We do not condone or tolerate any form of discrimination in our recruitment or employment practices.

All employees and applicants are treated on merit, fairly, with respect and dignity, recognised as individuals and valued for the contribution they make, provided fair and equal training, development, reward and progression opportunities, and are accountable for the impact of their own behaviour and actions.

During the year, regular communications are provided to our staff and volunteers, including updates on the Charity's progress. In addition, one of our values is to encourage our staff and volunteers to speak out and express their views and opinions. Staff and volunteer forums are used, as well as regular all-staff updates across our main sites. Employee suggestion schemes, webchats with directors and senior managers, and informal opportunities to express views as well as our 'concern at work' email for any anonymous reporting, support the priority for open and transparent engagement at all times. All new employees attend BHF induction events attended by our Chief Executive and members of our Executive Group.

Executive pay

We have a detailed Reward Policy, which sets out our guiding principles for reward at the BHF.

The remuneration for the Executive Group is set, monitored and reviewed by the Remuneration & People Committee, which is chaired by an independent senior human resources specialist. The BHF is committed to a policy of equal pay and aims to ensure that salaries reflect the knowledge, skills, behaviours and capabilities required for satisfactory performance in each role whilst also demonstrating appropriate use of charitable donations. Salaries are benchmarked against the voluntary sector and where appropriate, other relevant job markets. More information on our executive pay policy can be found on our website at www.bhf.org.uk. The annual pay review, awarded on 1 April of each year was not given in 2020-21.

Our Chief Executive's annual salary at 31 March 2021 was £189,000.

- The ratio between our highest and median salary (including retail) is 11.4 to 1 (2020: 9.3 to 1).
- The ratio between our highest and median salary (excluding retail) is 4.9 to 1 (2020: 4.9 to 1).

Legal structure and governance

Gender and ethnicity pay gap

The average gender pay gap at the BHF is 6% in favour of men, compared to a national average of 15.9%. We continue to dedicate our organisation to taking more steps to narrow the gap even further, and we're proud to be an organisation where over half of our senior leaders are women. Last year 67% of senior roles were filled by women, up from 58% in 2019-20.

This year, as part of our commitment to being a more diverse and inclusive organisation, we have also reported on our ethnicity pay gap for the first time. Our mean ethnicity pay gap is 14% in favour of our colleagues from ethnic minority backgrounds, although this was mainly attributable to a number of higher paid roles within the Technology Directorate being filled by people from ethnic minority backgrounds.

Creating a more diverse workforce, including at director level, remains a priority in our diversity and inclusion action plan. The steps we are taking, which are overseen by our diversity and inclusion working group Kaleidoscope, will help make progress towards closing both our ethnicity and gender pay gaps, particularly by removing potential recruitment barriers. Some of the key changes we have made and are continuing to implement are:

- To prevent any potential barriers to appointing females to senior roles we ensure all senior roles have a gender balanced interview process.
- All our job advertisements have been screened to ensure there is no bias in the language used.
- We provide recruitment skills training for hiring managers to minimise the impact of unconscious bias.
- We encourage hiring managers to seek out diversity by demonstrating how it aids team innovation, productivity and creativity.
- Our career site has been refreshed with an inclusivity page detailing our commitments.
- Our recruitment system is being enhanced to facilitate anonymous CVs.

We work with an external advisory agency called Challenge to support our EDI actions.

Trustees' indemnity

As permitted by the Articles of Association, each of the Trustees has the benefit of an indemnity which is a qualifying third-party indemnity as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year, and is currently in force. The Company also purchased and maintained throughout the financial year Trustees' and Officers' liability insurance in respect of itself and its Trustees.

Patron

We were deeply saddened by the death of His Royal Highness The Prince Philip, Duke of Edinburgh in April this year, and honoured to have had his continued support as patron of the BHF since the Charity was founded in 1961. Prince Philip was a remarkable advocate for the power of research to save and improve lives from heart and circulatory diseases and his contribution will forever be remembered.

Auditors

PricewaterhouseCoopers LLP have expressed their willingness to continue to act as auditors.

The Trustees' Report, including the Strategic Report, was approved by the Board of Trustees on 20 July 2021.

Sam Ryan
Head of Legal & Governance and Company Secretary
20 July 2021

Statement of Trustees' responsibilities

The Trustees (who are also directors of the British Heart Foundation for the purposes of company law) are responsible for preparing the Trustees' Report (including the Strategic Report) and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (which together form United Kingdom Generally Accepted Accounting Practice). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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 Statement of Recommended Practice: Accounting and Reporting by Charities (2019);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, and disclose with reasonable accuracy at any time the financial position of the charitable company and the group, 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 charitable company and the group, 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 charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In so far as the Trustees are aware;

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Dr Douglas Gurr
Chairman
20 July 2021

Independent auditors' report to the members and Trustees of the British Heart Foundation

Report on the audit of the financial statements

Opinion

In our opinion, the British Heart Foundation's group financial statements and parent charitable company financial statements ("the financial statements"):

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2021 and of the group's incoming resources and application of resources, including its income and expenditure, and of the group's cash flows, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of The Charities Accounts (Scotland) Regulations 2006 (as amended).

We have audited the financial statements, included within the Annual Report and Accounts (the "Annual Report"), which comprise: the group and charity balance sheets as at 31 March 2021; the group statement of financial activities (incorporating a group income and expenditure account), the group statement of cash flows for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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 group and parent charitable company's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's and parent charitable company's ability to continue as a going concern.

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

With respect to the Strategic Report and Trustees' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 and The Charities Accounts (Scotland) Regulations 2006 (as amended) require us also to report certain opinions and matters as described below.

Strategic Report and Trustees' Report

In our opinion, based on the work undertaken in the course of the audit the information given in the Trustees' Report, including the Strategic Report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and the Strategic Report and the Trustees' Report have been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Strategic Report and the Trustees' Report. We have nothing to report in this respect.

Responsibilities for the financial statements and the audit

Responsibilities of the Trustees for the financial statements

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Trustees are also responsible for such internal control as they 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 group's and parent charitable company'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 group and parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditors under section 44(1) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts 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 an auditors' report 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.

Independent auditors' report to the members and Trustees of the British Heart Foundation

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the group and parent charitable company and the environment in which they operate, we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of The Charities Accounts (Scotland) Regulations 2006 (as amended). We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries and management bias in key accounting judgements and estimates. Audit procedures performed included:

- enquiry of management and the Trustees with regard to actual and potential fraud and non-compliance with laws and regulations;
- reviewing minutes of meetings of the Board of Trustees and the Audit and Risk Committee meetings to identify significant or unusual transactions and known or suspected instances of fraud or non-compliance with laws and regulations;
- reviewing terms and conditions of significant contracts;
- enquiry of the in-house legal team to identify material claims and litigation;
- reviewing correspondence with regulators including the Charity Commission for England and Wales and the Office of the Scottish Charity Regulator;
- understanding and evaluating management's controls in place to prevent and detect irregularities;
- testing of journal entries where we identified particular risk criteria;
- obtaining independent confirmations of cash and investment balances at the year end and testing management's year end bank reconciliations;
- reviewing accounting estimates for bias and evaluating whether circumstances producing any bias, represent a risk of material misstatement due to fraud; and
- assessing financial statement disclosures, and testing to supporting documentation, for compliance with applicable laws and regulations

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, 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 by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at:

www.frc.org.uk/auditorsresponsibilities

This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the charitable company's members and Trustees as a body in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and the Companies Act 2006 and regulations

made under those Acts (regulation 10 of The Charities Accounts (Scotland) Regulations 2006 (as amended) and Chapter 3 of Part 16 of the Companies Act 2006) and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Matters on which we are required to report by exception

Under the Companies Act 2006 and The Charities Accounts (Scotland) Regulations 2006 (as amended) we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate and proper accounting records have not been kept by the parent charitable company or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Sandeep Dhillon

(Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors

London,
20 July 2021

Group statement of financial activities for the year ended 31 March 2021

(Incorporating a Group income and expenditure account)
Company reg. number: 699547

		2021			2020		
		Unrestricted funds	**Restricted and endowment funds**	**Total funds**	Unrestricted funds	Restricted and endowment funds	Total funds
		£m	**£m**	**£m**	£m	£m	£m
Income from	Note						
Donations and legacies	2	111.3	6.5	**117.8**	121.1	11.4	132.5
Charitable activities		0.1	-	**0.1**	-	-	-
Investments		2.7	-	**2.7**	6.5	-	6.5
Government support - Covid-19 (other)		1.8	-	**1.8**	-	-	-
Total fundraising income		115.9	6.5	**122.4**	127.6	11.4	139.0
Expenditure on							
Raising funds: donations and legacies	4	(26.4)	-	**(26.4)**	(38.7)	-	(38.7)
Investment management fees	4	(1.0)	-	**(1.0)**	(1.3)	-	(1.3)
Total fundraising costs		(27.4)	-	**(27.4)**	(40.0)	-	(40.0)
Fundraising contribution		88.5	6.5	**95.0**	87.6	11.4	99.0
Trading income	3	71.3	-	**71.3**	196.6	-	196.6
Government support - Covid-19 (trading)	3	31.6	-	**31.6**	0.9	-	0.9
Trading costs	3/4	(140.7)	-	**(140.7)**	(188.9)	-	(188.9)
Contribution (to)/from trading activities		(37.8)	-	**(37.8)**	8.6	-	8.6
Net income available for charitable purposes		50.7	6.5	57.2	96.2	11.4	107.6
Charitable expenditure							
Research	4	(42.2)	(7.5)	**(49.7)**	(83.2)	(9.9)	(93.1)
Healthcare Innovation	4	(23.6)	(0.9)	**(24.5)**	(34.2)	(0.3)	(34.5)
Total charitable expenditure		(65.8)	(8.4)	**(74.2)**	(117.4)	(10.2)	(127.6)
Net (expenditure)/income before gain/(loss) on investments		(15.1)	(1.9)	**(17.0)**	(21.2)	1.2	(20.0)
Represented by							
Total income		218.8	6.5	**225.3**	325.1	11.4	336.5
Total expenditure		(233.9)	(8.4)	**(242.3)**	(346.3)	(10.2)	(356.5)
Net income before gain/(loss) on investments		(15.1)	(1.9)	**(17.0)**	(21.2)	1.2	(20.0)
Net gain/(loss) on investments		**46.8**	**0.0**	**46.8**	**(16.8)**	**0.0**	**(16.8)**
Net income/(expenditure)		31.7	(1.9)	**29.8**	(38.0)	1.2	(36.8)
Other recognised gains/(losses)							
Actuarial gain/(loss) on defined benefit pension scheme	14	-	-	**-**	-	-	-
Net movement in funds		31.7	(1.9)	**29.8**	(38.0)	1.2	(36.8)
Reconciliation of funds							
Funds balances brought forward at 1 April	5	(7.1)	26.5	**19.4**	30.9	25.3	56.2
Total funds carried forward	5	24.6	24.6	**49.2**	(7.1)	26.5	19.4

There are no recognised gains or losses other than those disclosed above. All results derive from continuing operations. Gross income for the year for the parent charity is £169.9m (2020: £316.7m) and gross expenditure is £186.9m (2020: £337.4m). The notes on pages 95 to 112 form an integral part of these financial statements.

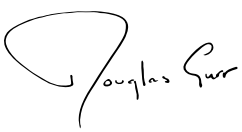
Balance sheets as at 31 March 2021

Company reg. number: 699547

		Group		Charity	
		2021	2020	**2021**	2020
Fixed assets	Note	**£m**	£m	**£m**	£m
Tangible assets	6	**37.6**	40.0	**37.6**	40.0
Investments	7	**149.4**	189.3	**149.4**	189.3
Total fixed assets		**187.0**	229.3	**187.0**	229.3
Current assets					
Inventories		**6.5**	6.1	**-**	-
Debtors	8	**93.9**	92.0	**102.5**	99.6
Cash and cash equivalents		**105.2**	68.8	**102.7**	66.9
Total current assets		**205.6**	166.9	**205.2**	166.5
Creditors and provisions: amounts falling due within one year					
Provision for research and other grant awards	9	**(106.2)**	(114.6)	**(106.2)**	(114.6)
Other creditors	10	**(19.8)**	(24.5)	**(19.4)**	(24.1)
Total current liabilities		**(126.0)**	(139.1)	**(125.6)**	(138.7)
Net current assets		**79.6**	27.8	**79.6**	27.8
Total assets less current liabilities		**266.6**	257.1	**266.6**	257.1
Creditors and provisions: amounts falling due after more than one year					
Finance lease creditor		**(0.3)**	-	**(0.3)**	-
Provision for research and other grant awards	9	**(212.7)**	(233.4)	**(212.7)**	(233.4)
Provision for liabilities and charges	11	**(4.4)**	(4.3)	**(4.4)**	(4.3)
Total provisions due after more than one year		**(217.4)**	(237.7)	**(217.4)**	(237.7)
Net assets excluding pension liability		**49.2**	19.4	**49.2**	19.4
Defined benefit pension liability	14	**-**	-	**-**	-
Net assets including pension liability		**49.2**	19.4	**49.2**	19.4
Represented by:					
Endowment funds	5	**7.5**	7.5	**7.5**	7.5
Restricted income funds	5	**17.1**	19.0	**17.1**	19.0
Unrestricted funds					
General funds	5	**24.6**	(7.1)	**24.6**	(7.1)
Pension reserve	14	**-**	-	**-**	-
Total unrestricted funds		**24.6**	(7.1)	**24.6**	(7.1)
Total funds		**49.2**	19.4	**49.2**	19.4

The Charity's net movement in funds for the year was an increase of £29.8m (2020: decrease of £36.8m).

The financial statements on pages 92 to 112 were approved by the Board of Trustees on 20 July 2021, and signed on its behalf by:



Members of the Board of Trustees

Dr Douglas Gurr
Chairman

Mark FitzPatrick
Chairman of the Audit & Risk Committee

The notes on pages 95 to 112 form an integral part of these financial statements.

Group statement of cash flows for the year ended 31 March 2021

	2021 £m	2020 £m
Cash flows from operating activities		
Net cash outflow from operating activities	**(45.6)**	(18.1)
Cash flows from investing activities		
Investment income	**2.7**	6.5
Purchase of investments	**(47.4)**	(60.8)
Proceeds from sale of investments	**134.1**	88.9
Purchase of tangible fixed assets	**(7.5)**	(13.1)
Proceeds from sale of tangible fixed assets	**0.1**	0.2
Net cash inflow from investing activities	**82.0**	21.7
Net increase in cash and cash equivalents	**36.4**	3.6
Cash and cash equivalents at 1 April	**68.8**	65.2
Cash and cash equivalents at 31 March	**105.2**	68.8
Reconciliation of net cash flow from operating activities:		
Net income/(expenditure)	**29.8**	(36.8)
Add/(less):		
Depreciation	**9.5**	8.0
Impairment of fixed assets	**0.1**	0.5
Loss on sale of fixed assets	**0.2**	-
Investment income	**(2.7)**	(6.5)
Net (gain)/loss on investments	**(46.8)**	16.8
Defined benefit scheme pension costs recognised in SOFA	**-**	0.1
(Increase) in inventories	**(0.4)**	(0.6)
(Increase) in debtors	**(1.9)**	(6.8)
(Decrease) in creditors	**(4.7)**	(1.2)
Increase in finance lease creditor	**0.3**	-
Increase in provisions for liabilities and charges	**0.1**	1.9
(Decrease)/Increase in provision for research grant and other awards	**(29.1)**	6.5
Net cash outflow from operating activities	**(45.6)**	(18.1)

The notes on pages 95 to 112 form an integral part of these financial statements.

Notes to the accounts

1. Accounting policies

Statement of compliance

The Group and Charity financial statements have been prepared in accordance with the Statement of Recommended Practice: "Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (SORP) issued on 2 October 2019 and the "Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" (FRS 102). They also comply with the reporting requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and the Charities Act 2011. The BHF constitutes a public benefit entity as defined by FRS 102.

Basis of preparation

The Group and Charity financial statements have been prepared on a going concern basis (see below), under the historical cost convention, as modified by the revaluation of listed investments. The principal accounting policies applied in the preparation of the Group and Charity financial statements are set out below. These policies have been consistently applied to all the years presented.

Going concern

In determining the appropriate basis of preparation of the financial statements for the year ended 31 March 2021, the Trustees are required to consider whether the BHF can continue in operational existence for the foreseeable future. The Board has concluded that it is appropriate to adopt the going concern basis, having undertaken a rigorous assessment of the financial forecasts with specific consideration to the position of the BHF in the context of the ongoing Covid-19 pandemic, for the reasons set out below.

The BHF had the benefit of entering this period of unprecedented challenge with total cash, deposits and investments of £258.1m, significantly above the upper end of the defined reserves range. As the scale of the pandemic became apparent, particularly its impact on our ability to trade, we transferred £75.9m from equities to our cash reserves to increase the liquidity and stability of our reserves. This provided additional assurance that the BHF would continue to have access to sufficient liquid resources to meet its obligations, and continue to fund existing research commitments, as they became due. As the year progressed and net income was impacted, we adjusted our cost base and levels of charitable investment, but continued to fund new research, as well as maintaining our commitment to existing grants. We also reviewed the reserves policy to incorporate learnings from the impact of the pandemic. Inclusive of the benefit of a strong recovery in equity markets, this meant we ended the financial year with total cash, deposits and investments of £254.6m, still significantly above the requirements of our revised reserves policy.

In the context of our investment and cash reserves, the Trustees reviewed financial forecasts beyond a period 12 months from the approval of the financial statements. This included assessment of budgets, business plans and cash flow forecasts, inclusive of a stress-test downside scenario. The stress-test downside scenario assumes continued disruption to our income from Covid-19 or a comparable event throughout the forecast period, combined with an ongoing fall in equity market levels consistent with that experienced in March 2020. The modelled reduction in income generation would have a direct impact on our capacity to deliver charitable mission, such that a comparable reduction in new medical research funding is assumed. On this basis, we would expect the BHF to retain access to adequate liquidity through the forecast period.

The Trustees, after reviewing the BHF's budgets, business plans, cash flow forecasts and investment and cash reserves, consider that the Group and Charity have sufficient resources available at the date of approval of this report. Accordingly, the Trustees are satisfied that it is appropriate to adopt the going concern basis in preparing the Annual Report and Accounts.

Reporting period

The financial statements for the year ended 31 March 2021 incorporate the trading results of our Retail operations for the 52 week period ended 27 March 2021 (2020: 52 week period ended 28 March 2020).

Basis of consolidation

The financial statements of the BHF and its three subsidiary companies are consolidated, on a line-by-line basis, to produce the Group financial statements. The consolidated entity is referred to as 'the Group'. The Charity has taken advantage of the exemption in section 408 of the Companies Act from disclosing its individual statement of financial activities.

Statement of cash flows

The Charity has taken advantage of the exemption in FRS 102 from preparing a statement of cash flows, on the basis that it is a qualifying entity and the Group statement of cash flows included in these financial statements includes the cash flows of the Charity.

Income

Income is recognised and included in the statement of financial activities when the Group has entitlement to the income, it is probable that the income will be received and the amount can be measured reliably. Income received relating to future accounting periods is deferred and recognised as a creditor within the balance sheet.

- **Donations** are recognised when income has been received. Gift Aid income on donations is accrued when there is a valid declaration from the donor.
- **Retail income** is recognised at point of sale. Goods donated for sale are included as income at the point of sale. Gift Aid income claimed under the UK Retail Gift Aid scheme is estimated and accrued at the point of sale.

Notes to the accounts

- **Legacy income** is recognised in the statement of financial activities when the BHF has entitlement to the income, receipt is probable and the income can be reliably measured. For the majority of legacies, entitlement is determined when probate has been granted. Where probate information is not available or probate is not required to execute an estate, our entitlement is estimated with consideration to the date we are notified of the legacy, our history of similar legacies and any other information available for a specific estate. Revisionary interests involving a life tenant are not recognised unless the life tenant has passed away. Income is estimated based on the best available information at the time. Where estate accounts or notification of expected income have not been received for an estate, income is estimated using a portfolio approach based on historical experience of income from similar legacies. Historical legacies of a material value are excluded from our legacy portfolio valuation model.
- For **event income**, entitlement is counted at the date of the event. Where income is received in advance, recognition is deferred and included in creditors and where entitlement arises before income is received, the income is accrued.
- Income from **government grants**, is recognised when the Charity has entitlement to the funds and any performance conditions attached to the grants have been met.
- **Investment income:** interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity. Dividends are recognised once the dividend has been declared and the right to receive payment has been established.
- **Donated professional services** and donated facilities are recognised as income, if a value can be reliably measured, at the value to the Charity when received. In accordance with the Charities SORP (FRS 102), no amounts are included in the financial statements for services donated by volunteers, including professional services provided directly by volunteers.

Expenditure

Expenditure is recognised when there is a legal or constructive obligation committing the Group to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

- Costs of raising funds (donations and legacies) comprise costs incurred in generating donation and legacy income, including fundraising staff costs and fundraising marketing costs.
- Trading costs comprise costs associated with operating our Retail operations together with costs of running trading activities conducted to generate fundraising income, such as events and lottery costs.
- Charitable expenditure includes costs of grant awards and other direct costs incurred towards achieving the BHF's charitable objectives.

Grant expenditure is recognised in the year of award and when communicated to recipient in line with the SORP (see 'awards' for more detail on individual grant types).

Direct costs, including directly attributable salaries, are allocated on an actual basis to each expenditure heading.

Shared costs are allocated, where appropriate, across different expenditure headings. It has been estimated that 6% of the content of our fundraising material provides educational information that furthers the BHF's charitable objectives. Accordingly 6% of costs in generating fundraising material have been allocated to charitable expenditure.

Governance costs relate to the management of the BHF's assets, organisational administration and compliance with constitutional and statutory requirements. Support costs are costs incurred which are not directly attributable to our charitable, fundraising or retail activities, including for example head-office finance, human resources and legal costs. Governance and support costs have been allocated to expenditure headings on the basis of time spent.

Irrecoverable VAT is included within the expense items to which it relates.

Awards

Grants awarded are included within charitable expenditure when the award of the grant has been communicated to the recipient. Grants awarded are commitments by the BHF to reimburse grant recipients for expenditure incurred, up to the value of the grant award. Grant payments are made to recipients retrospectively when invoiced by the recipient and when supporting evidence of costs incurred has been provided. Grants are recognised as a provision, reflecting the uncertainty of the timing and value of payment for grants. To calculate the grants award provision, the timing and value of grant payments is estimated using a portfolio approach based on historical experience of similar grant awards. The expected underspend against award value reflected within the grant provision range from zero to 15.7% of award value and at 31 March 2021 reflects 7.0% (2020: 7.3%) of the grant award value for open grants.

All grant provisions in excess of one year are discounted to net present value. The discount rate used to determine the net present value is calculated with reference to UK Gilt yields at the balance sheet date, weighted to reflect the expected phasing of future grant payments. The discount rate applied at 31 March 2021 was 0.19% (2020: 0.14%).

Chairs of BHF Professors

Awards are subject to a quinquennial site visit and review. For new chairs, an initial five year award is recognised in the financial statements, with a further five years disclosed as a contingent liability and recognised as a provision in the financial statements only on satisfactory completion of the quinquennial site visit and review. For chairs awarded before this policy

changed, a contingent liability is recognised from the end of the current five year award up to the date of retirement.

Programme grants

Awards run initially for five years with a two and a half year review and can be extended for a further period of five years subject to Committee approval. On the basis of experience, it is assumed that the overwhelming majority of applicants will be successful at the mid-term review and therefore provision is made in the financial statements for expected future payments required to settle BHF's five year commitment.

Other Research grants

Where grants are conditional upon the successful achievement of project milestones the total award value is disclosed as a contingent liability and expected payments to the next milestone performance review are recognised as a grant provision in the financial statements. For unconditional grants, provision is made in the financial statements for expected future payments required to settle grant awards.

Healthcare Innovation grants

Grants are made in furtherance of the BHF's objective to work with patients and the public for better health and care. On award of a grant, provision is made in the financial statements for the expected future payments required to settle the grant award.

Fund accounting

Unrestricted funds comprise funds that are available for use at the Trustees' discretion in furtherance of the BHF's objectives. Restricted funds are subject to restrictions imposed by the donor. Endowment funds, which are permanent, represent amounts for which the capital must be retained and invested. Restricted and endowment funds assets are held as investments, pooled together with general reserve investments, until expenditure is incurred.

Tangible fixed assets

Tangible assets are stated at cost which includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is calculated on a straight line basis. The costs of fixed assets are written off over their estimated useful lives at the following rates:

Freehold property:
over 50 years

Short leasehold property:
over the life of the lease

Shop fittings:
over 7 years

Plant, equipment and vehicles:
over 3-4 years

IT equipment and software:
over 3-5 years.

The BHF only capitalises items costing more than £1,000. However, if components of equipment (e.g. office furnishings or personal computers) are acquired with individual unit costs below the capitalisation threshold but with collective costs exceeding £1,000 and anticipated asset lives in excess of two years, then these groups of assets are collectively capitalised at the time of purchase. The holding values and estimated useful lives of assets are regularly reviewed for impairment and where deemed appropriate, are written down.

Investments

Investments are a form of basic financial instrument and are initially recognised at transaction value and subsequently measured at fair value as at the balance sheet date using the closing market bid price. The statement of financial activities includes the net unrealised gains and losses arising on revaluation and realised gains and losses arising from disposals throughout the year. Realised gains and losses are calculated as the difference between sale proceeds and the opening carrying value or the purchase value if acquired in the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and the opening carrying value or purchase value if acquired in the financial year.

Foreign currency

Foreign currency transactions are recorded at the exchange rate at the time of the transaction. Foreign currency balances are translated into sterling at the exchange rate at the balance sheet date. Resulting gains or losses are included in the statement of financial activities.

Cash and cash equivalents

Cash and cash equivalents include cash in-hand, cash held in current accounts with UK banks and readily realisable short term fixed interest investments managed on behalf of the BHF by Royal London Asset Management Limited.

Inventories

Inventories purchased for sale are valued on a weighted average cost basis and carried at the lower of cost and net realisable value. Provision is made to reduce carrying values to net realisable value for slow moving, obsolete and defective stock. The provision at 31 March 2021 was £0.4m (2020: £0.5m). Inventories does not include goods donated for sale as it is impractical to measure the fair value of these donated items reliably.

Pension costs

The BHF's defined benefit scheme was closed to future accrual on 31 May 2016. The BHF employee costs include the net pension finance income or costs, together with the expenses of running the Scheme. Actuarial gains and losses are recognised immediately on the face of the statement of financial activities. Where the pension scheme valuation shows a net deficit, this is reported separately on the face of the balance sheet and within reserves. Where the valuation shows a net surplus, an asset ceiling is applied to the extent that future economic benefits are not available to the Charity in the form of a reduction in future contributions or a cash refund. The detailed assumptions relating to the valuation of the defined benefit scheme can be found in note 14. For defined contribution schemes, the amount charged to the statement of financial activities for pension costs is the total contributions payable in the year.

Notes to the accounts

This amount is allocated to expenditure headings and funds on the same basis as staff costs, reflecting the activities performed by staff.

Operating leases

Rents payable under operating leases are charged to the statement of financial activities on a straight-line basis over the lease term. Benefits received as a lease incentive are credited to the statement of financial activities, to reduce the lease expense, on a straight-line basis over the lease term. The Group has taken advantage of the exemption in respect of lease incentives on leases in existence at the date of transition to FRS 102 (1 April 2014) and continues to credit these lease incentives to the statement of financial activities over the period to the first rent review date on which the rent is adjusted to market rates.

Finance leases

A lease is classified as a finance lease if it transfers substantially all of the risks and rewards of ownership of the leased asset to the Group. Assets acquired under finance leases are reported within fixed assets and are capitalised when acquired at fair value or, if lower, at the present value of the minimum lease payments. These assets are subsequently depreciated over the shorter of the estimated useful economic life of the asset or the lease term. The payment obligations arising from the future lease payments are discounted and recorded as a liability in the balance sheet.

Taxation

As a registered charity the BHF is entitled to certain exemptions from corporation tax on profits from investments and any trading activities carried on in furtherance of the Charity's primary objectives. The subsidiary companies make qualifying donations of all taxable profits to the BHF and thus do not incur corporation tax. Costs are recorded net of recoverable VAT as the Group is able to reclaim a proportion of VAT paid, because of its trading activities, using the partial exemption method.

Significant areas of estimation and judgement

The preparation of the financial statements requires judgements, estimations and assumptions to be made that affect the reported values of assets, liabilities, revenues and expenses. The nature of estimation and judgement means that actual outcomes could differ from expectation.

Critical accounting judgements

In the event that the FRS 102 valuation of the defined benefit pension scheme identifies a net surplus, judgement is applied regarding the extent to which any such surplus is available to the BHF in the form of a reduction in future contributions or a cash refund. Where such a surplus is not deemed available to the BHF, an asset ceiling is applied, as further discussed in note 14.

Sources of estimation uncertainty

- Accrued legacy income is estimated based on the best information available at the balance sheet date. Historical average legacy income is used to provide an estimated valuation where no specific information is available.
- Grant provisions are estimated based on expected future cash flows and the expected utilisation against original award values, calculated based on historical grant payment profiles and utilisation rates.
- The BHF recognises and discloses its defined benefit pension obligation in accordance with "FRS 102– Employee Benefits". The valuation, prepared by a qualified actuary, reflects a number of judgements and estimations including the expected return on assets, the discount rate, cost inflation and life expectancy. Changes in these assumptions have a significant effect on the value of the defined benefit pension obligation.
- Provisions for liabilities and charges (see note 11) represents the best estimate of the liability at the balance sheet date of future unavoidable lease costs in respect of loss-making stores and an estimate of the probable future costs of restoring rented properties to their required condition at the ultimate expiry of the lease. The actual liability will be dependent on future events including whether a relevant property lease is renewed on expiry. Expectations are revised at each period end until the actual liability arises, with any difference accounted for in the period in which revision is made.

2. Donations and legacies

	Unrestricted funds £m	Restricted funds £m	**2021 Total funds £m**	2020 Total funds £m
Legacies	76.1	1.5	**77.6**	80.8
Donations	21.0	4.5	**25.5**	34.2
Donations received in BHF Shops	1.4	-	**1.4**	2.6
Volunteer fundraising	12.8	0.5	**13.3**	14.9
Total income from donations and legacies	111.3	6.5	**117.8**	132.5

The Charity has received notification of 315 legacies (2020: 337) with an estimated value of £9.4m (2020: £10.5m) which are not included in legacy income. This includes legacies which are subject to a life interest, legacies which have not yet been granted probate, and contentious legacies.

3. Trading activities

	Income/direct costs £m	Support cost allocation £m	**2021 Total £m**	2020 Total £m
Retail income*	66.2	-	**66.2**	191.8
Government support - Covid-19 (trading)	31.6	-	**31.6**	0.9
Retail costs	(135.4)	(4.3)	**(139.7)**	(185.6)
Retail net (loss)/profit	(37.6)	(4.3)	**(41.9)**	7.1
Income from fundraising trading activities	5.1	-	**5.1**	4.8
Costs of fundraising trading	(1.0)	-	**(1.0)**	(3.3)
Net fundraising trading income	4.1	-	**4.1**	1.5
Contribution (to)/from trading activities	(33.5)	(4.3)	**(37.8)**	8.6
Represented by:				
Total trading income	71.3	-	**71.3**	196.6
Government support - Covid-19 (trading)	31.6	-	**31.6**	0.9
Total trading costs	(136.4)	(4.3)	**(140.7)**	(188.9)
Contribution (to)/from trading activities	(33.5)	(4.3)	**(37.8)**	8.6

*2021 includes income of £16.1m (2020: £53.0m) representing donations from our supporters on which Gift Aid has been claimed from sale of goods through the Retail Gift Aid Programme.

Notes to the accounts

4. Gross expenditure

	Awards (note 9)	Staff costs	Other direct costs	Support costs allocated	**Total 2021**	Total 2020
	£m	£m	£m	£m	**£m**	£m
Expenditure on raising funds						
Costs of raising funds	-	18.0	4.6	3.8	**26.4**	38.7
Investment management fees	-	-	1.0	-	**1.0**	1.3
Total fundraising costs	-	18.0	5.6	3.8	**27.4**	40.0
Expenditure on trading activities						
Retail costs	-	65.9	69.5	4.3	**139.7**	185.6
Other trading costs	-	-	1.0	-	**1.0**	3.3
Total trading costs	-	65.9	70.5	4.3	**140.7**	188.9
Expenditure on charitable activities						
Research	47.0	1.2	0.6	0.9	**49.7**	93.1
Healthcare Innovation	(0.1)	6.4	14.2	4.0	**24.5**	34.5
Total charitable expenditure	46.9	7.6	14.8	4.9	**74.2**	127.6
Support cost allocated	-	9.0	4.0	(13.0)	**-**	-
Total expenditure	46.9	100.5	94.9	-	**242.3**	356.5

Support costs included in gross expenditure

The BHF adopts a policy of allocating costs to the respective cost headings throughout the year, and this allocation includes support costs where they are directly attributable.

Support costs are allocated to activities on a basis relevant to the nature of the underlying cost, including headcount, time spent or in proportion to resources used.

			Charitable expenditure		**Total**	Total
Analysis of support costs	Fundraising	Trading	Research	Healthcare Innovation	**2021**	2020
	£m	£m	£m	£m	**£m**	£m
CEO, strategy and legal	0.4	0.4	0.1	0.6	**1.5**	1.6
Information technology	1.0	2.4	0.2	1.2	**4.8**	3.9
Finance, risk and procurement	0.9	0.8	0.3	0.7	**2.7**	2.5
Human resources	1.2	0.5	0.3	1.3	**3.3**	3.5
Facilities management	0.1	0.1	-	0.1	**0.3**	0.3
Governance costs	0.2	0.1	-	0.1	**0.4**	0.4
Total Support Costs	3.8	4.3	0.9	4.0	**13.0**	12.2

	2021	2020
Support costs are made up of:	**£m**	£m
Staff costs	**9.0**	9.5
Other costs	**4.0**	2.7
Total Support Costs	**13.0**	12.2

4. Gross expenditure (continued)

Gross expenditure for the year is stated after charging:	2021 £m	2020 £m
Operating lease rentals (land and buildings)	**28.6**	28.9
Loss on disposal of fixed assets	**0.2**	-
Depreciation charge for the year	**9.5**	8.0
Provision for impairment	**0.1**	0.5
Auditors' remuneration(*)		
Audit fee	**0.1**	0.1

*Auditors' remuneration comprises £91,748 (2020: £107,855) for the audit of the Charity and £27,936 (2020: £18,845) for the audit fees of subsidiary undertakings. In addition £9,700 (2020: £8,900) was incurred in respect of British Heart Foundation Staff Pension Scheme and £6,500 (2020: £6,000) in respect of non-audit services. All numbers exclude VAT.

Staff and Trustee information Staff costs	2021 £m	2020 £m
Wages and salaries	**86.3**	91.2
Social security costs	**7.1**	7.7
Pension costs (see note 14)	**5.0**	4.8
Other benefits	**0.8**	0.9
Other staff costs	**1.3**	1.5
Total staff costs	**100.5**	106.1

Wages and salaries include redundancy costs of £1.4m (2020: £0.2m) arising from restructuring activities completed during the year. Redundancy costs are recognised and accrued when the employee has been notified of the planned redundancy.

All staff are employed by the BHF. The average number of staff, employed in the year, was:	2021 number	2020 number
Head office	**645**	893
Regions	**90**	70
Shops	**3,494**	3,470
Total number of staff	**4,229**	4,433
Reflecting:		
Full time staff	**2,578**	2,693
Part time staff	**1,651**	1,740
Total number of staff	**4,229**	4,433
Full time equivalent average headcount	**3,479**	3,605

The following numbers of staff have emoluments above £60,000:	2021 number	2020 number
Between £60,000-£70,000	**47**	37
Between £70,001-£80,000	**20**	22
Between £80,001-£90,000	**24**	18
Between £90,001-£100,000	**5**	1
Between £100,001-£110,000	**3**	1
Between £110,001-£120,000	**1**	3
Between £120,001-£130,000	**2**	1
Between £130,001-£140,000	**2**	1
Between £140,001-£150,000	**1**	1
Between £150,001-£160,000	**1**	1
Between £160,001-£170,000	**-**	1
Between £170,001-£180,000	**-**	-
Between £180,001-£190,000	**1**	-
Between £190,001-£200,000	**1**	-
Between £200,000-£210,000	**-**	1

The key management personnel of the BHF are the members of the Executive Group, further details of the membership and function of which is provided on page 84. The total employee benefits of the Executive Group in the year was £1.4m (2020: £1.3m).

Trustee costs: no Trustees received any remuneration for services as members of the Board of Trustees and no Trustees were reimbursed for travelling expenses to and from meetings (2020: 3 members of the Board of Trustees were reimbursed £2,578 for travelling expenses to and from meetings). As permitted in the Articles of Association, Trustee indemnity insurance was purchased at a total cost of £15,680 (2020: £11,480).Total donations received from Trustees amounted to £46,000 (2020:£50,918).

Notes to the accounts

5. Statement of funds

	Note	Balance 1 April 2020	Income	Expenditure	Net investment gain	Actuarial gain	**Balance 31 March 2021**
		£m	£m	£m	£m	£m	**£m**
Endowment funds (Group and Charity)							
Chair endowment trusts	a	7.1	-	-	-	-	**7.1**
G M Yule bequest	b	0.1	-	-	-	-	**0.1**
Dr John A Gordon memorial trust	c	0.3	-	-	-	-	**0.3**
Total endowment funds		7.5	-	-	-	-	**7.5**
Restricted funds (Group and Charity)							
Unallocated legacies	d	2.3	0.7	(0.5)	-	-	**2.5**
Research	e	2.8	4.0	(2.4)	-	-	**4.4**
Healthcare Innovation	f	0.7	0.6	(0.9)	-	-	**0.4**
Oxford IDRM	g	7.4	-	-	-	-	**7.4**
Regenerative medicine	h	5.8	1.2	(4.6)	-	-	**2.4**
Total restricted funds		19.0	6.5	(8.4)	-	-	**17.1**
Unrestricted funds (Group)		(7.1)	218.8	(233.9)	46.8	-	**24.6**
Unrestricted funds (Charity)		(7.1)	163.4	(178.5)	46.8	-	**24.6**
Total Group funds		19.4	225.3	(242.3)	46.8	-	**49.2**
Total Charity funds		19.4	169.9	(186.9)	46.8	-	**49.2**

Notes

a. The Chair endowment trusts represent permanent endowments returned to the BHF by certain universities (see below). The interest earned on the money held is restricted and expended on the BHF's Chairs of Cardiovascular Medicine.

b. Income from the G M Yule bequest is available for the general activities of the Charity.

c. Income from the Dr John A Gordon memorial trust fund is restricted to expenditure on Healthcare Innovation activities.

d. Restricted legacy donations are received for both research and Healthcare Innovation. In some cases we are unable to distribute funds fully according to the specific terms of the bequest in the year of receipt and expenditure takes place in future years.

e. Income where the donor has specified that the donation should be expended on the BHF's research activities.

f. Income where the donor has specified that the donation should be expended on the BHF's Healthcare Innovation activities.

g. Income collected towards a target of £10m to contribute to the build of a world-leading centre for stem cell technology, the Institute of Developmental and Regenerative Medicine (IDRM), at Oxford University.

h. Includes income from the Mending Broken Hearts ("MBH") 50th anniversary appeal, expended on the BHF's charitable activities.

Endowment of Chairs of BHF Professors

The BHF has 28 Chairs of BHF Professors as at 31 March 2021. Of this number, 3 universities hold endowments and 6 previously returned endowments are held on the BHF balance sheet as permanent endowment funds with the income being used to part fund the ongoing cost of the chairs.

5. Statement of funds (continued)

Analysis of Group net assets between funds

	Unrestricted funds	Restricted funds	Endowment funds	**Total**
	£m	£m	£m	**£m**
Tangible fixed assets	37.6	-	-	**37.6**
Investments	149.4	-	-	**149.4**
Current assets	181.0	17.1	7.5	**205.6**
Current liabilities	(126.0)	-	-	**(126.0)**
Long-term liabilities	(217.4)	-	-	**(217.4)**
Total net assets as at 31 March 2021	**24.6**	**17.1**	**7.5**	**49.2**
At 31 March 2020	(7.1)	19.0	7.5	19.4

Analysis of Charity net assets between funds

	Unrestricted funds	Restricted funds	Endowment funds	**Total**
	£m	£m	£m	**£m**
Tangible fixed assets	37.6	-	-	**37.6**
Investments	149.4	-	-	**149.4**
Current assets	180.6	17.1	7.5	**205.2**
Current liabilities	(125.6)	-	-	**(125.6)**
Long-term liabilities	(217.4)	-	-	**(217.4)**
Total net assets as at 31 March 2021	**24.6**	**17.1**	**7.5**	**49.2**
At 31 March 2020	(7.1)	19.0	7.5	19.4

6. Tangible fixed assets

Group and Charity	Freehold property	Short leasehold property	Shop fixture and fittings	Vehicles	Furniture and equipment	IT equipment and software	Assets under construction	**Total**
Cost	£m	£m	£m	£m	£m	£m	£m	**£m**
At 1 April 2020	2.4	34.6	29.5	2.6	13.0	25.0	9.9	**117.0**
Transfers	-	-	-	-	-	13.6	(13.6)	**-**
Additions	-	0.7	1.3	-	0.4	0.5	4.6	**7.5**
Disposals	-	(1.0)	(1.0)	(0.6)	(0.3)	(5.3)	-	**(8.2)**
At 31 March 2021	2.4	34.3	29.8	2.0	13.1	33.8	0.9	**116.3**
Accumulated depreciation								
At 1 April 2020	0.5	21.5	22.4	1.6	11.1	19.9	-	**77.0**
Depreciation charge	-	2.4	2.0	0.4	0.9	3.8	-	**9.5**
Provision for impairment	-	0.1	-	-	-	-	-	**0.1**
Disposals	-	(1.0)	(0.8)	(0.5)	(0.3)	(5.3)	-	**(7.9)**
At 31 March 2021	0.5	23.0	23.6	1.5	11.7	18.4	-	**78.7**
Net book values								
At 31 March 2021	**1.9**	**11.3**	**6.2**	**0.5**	**1.4**	**15.4**	**0.9**	**37.6**
At 31 March 2020	1.9	13.1	7.1	1.0	1.9	5.1	9.9	40.0

The net carrying amount of assets held under finance leases included in IT equipment and software is £0.5m (2020: £nil).
There are no future capital expenditure commitments on specific projects for the Group (2020: £nil).

Notes to the accounts

7. Investments

Group and Charity Analysis of movement	2021 £m	2020 £m
Market value at 1 April	**189.3**	234.2
Purchase of investments at cost	**47.4**	60.8
Disposal proceeds	**(134.1)**	(88.9)
	102.6	206.1
Net gain/(loss) on investments	**46.8**	(16.8)
Market value at 31 March	**149.4**	189.3
Original cost	**113.2**	171.6
Represented by:		
Listed investments: equities	**121.7**	150.4
Short dated corporate bonds	**24.9**	34.8
Cash held for investment purposes	**2.8**	4.1
Total investments at 31 March	**149.4**	189.3

Listed investments include overseas investments of £113.5m (2020: £104.7m).

No material shareholdings were held by the Charity in any one company. The Trustees consider the value of investments to be supported by their underlying assets, as appropriate.

The Charity holds 100% shareholdings in the three (2020: three) subsidiary undertakings within the Group; these are valued at cost of £6 (see note 13).

For investments sold during the financial year, the realised gain against historic cost was £28.3m (2020: £6.0m).

8. Debtors

	Group		Charity	
	2021 **£m**	2020 £m	**2021** **£m**	2020 £m
Amount owed by subsidiary undertakings	**-**	-	**8.8**	7.6
Sundry debtors	**2.6**	4.7	**2.5**	4.9
Tax recoverable	**0.4**	5.2	**0.4**	5.2
Prepayments	**9.9**	10.6	**9.9**	10.6
Accrued income	**8.8**	2.2	**8.7**	2.0
Accrued legacies	**72.2**	69.3	**72.2**	69.3
Total debtors	**93.9**	92.0	**102.5**	99.6

Some accrued legacy income may be received after more than one year, but this has not been estimated due to uncertainty in the timing of receipt of such income.

9. Provision for research and other grant awards

Group and Charity	Healthcare Innovation	Research	**2021**	2020
	£m	£m	**£m**	£m
Provision for research and other grant awards				
Grants awarded during the year	-	51.9	**51.9**	102.1
Movement in estimated future grant underspend	(0.1)	(4.7)	**(4.8)**	(11.8)
(Decrease)/Increase in grant discount	-	(0.2)	**(0.2)**	2.6
Net research grant awards as recognised in the statement of financial activities	(0.1)	47.0	**46.9**	92.9
Payment made during the year	(1.2)	(74.8)	**(76.0)**	(86.4)
Net movement in provision during the year			**(29.1)**	6.5
Grant provision at 1 April			**348.0**	341.5
Grant provision at 31 March			**318.9**	348.0
Awards falling due within one year			**106.2**	114.6
Awards falling due after more than one year			**212.7**	233.4
Grant provision at 31 March			**318.9**	348.0
Research and other grant awards commitments				
Total grants awarded and unpaid at 31 March, including conditional grant awards (total grant commitments)			**374.6**	411.4
Less conditional translation awards and Chairs grants*			**(6.7)**	(10.4)
Total unconditional grant awards outstanding at 31 March			**367.9**	**401.0**
Less estimated future grant award underspend*			**(48.1)**	(52.3)
Less grant discount			**(0.9)**	(0.7)
Grant provision at 31 March			**318.9**	348.0

Notes

*The BHF has a contingent liability of £54.8m (2020: £62.7m) including £6.7m (2020: £10.4m) for awards conditional upon the favourable outcome of scientific reviews and £48.1m (2020: £52.3m) representing the expected future underspend against grant awards.

The Charity has discounted its long-term liabilities, both for Research and Healthcare Innovation. A discount rate of 0.19% (2020: 0.14%) has been applied to both amounts recognised in the financial statements as grant creditors and grant commitments (not applied to the financial statements). The discount rate applied is the Gilt under 10 years rate. The gross discount value included in total liabilities for Research grant awards is £0.9m (2020: £0.7m) and for Healthcare Innovation grant awards £0.0m (2020: £0.0m).

Notes to the accounts

9. Research and other awards (continued)

The Charity occasionally receives applications for grants from, and makes awards to, universities and hospitals which employ members of the Board of Trustees or Council in senior research capacities. All grants are made to institutions, and a list of awards made during the year is available in the Charity's website at:

www.bhf.org.uk/research/information-for-researchers/previous-awards (this is unaudited).

The top 50 grants made in 2020-21 are listed below.

Institution	Activity	Number of grants	2021 £m
University of Oxford	Research	9	**6.3**
Imperial College London	Research	5	**3.1**
University of Cambridge	Research	5	**3.0**
University of Edinburgh	Research	5	**3.4**
Queen Mary, University of London	Research	4	**1.7**
University College London	Research	4	**2.0**
King's College London	Research	3	**1.1**
University of Glasgow	Research	3	**1.2**
University of Manchester	Research	3	**1.1**
University of Bristol	Research	2	**1.2**
University of Leeds	Research	2	**0.9**
Cardiff University	Research	1	**1.2**
The Francis Crick Institute	Research	1	**0.7**
University of Birmingham	Research	1	**0.7**
University of Leicester	Research	1	**0.3**
University of Strathclyde	Research	1	**1.0**
Total		50	**28.9**
Other grants paid to institutions	Research		**23.0**
	Healthcare Innovation		**-**
Total grants and awards			**51.9**

10. Other creditors

	Group		Charity	
	2021	2020	**2021**	2020
	£m	£m	**£m**	£m
Sundry creditors	**1.8**	5.3	**1.7**	5.2
Finance lease creditor	**0.2**	-	**0.2**	-
Taxes and social security	**1.5**	1.9	**1.5**	1.9
Accruals	**12.8**	14.7	**12.5**	14.4
Deferred income	**2.0**	1.5	**2.0**	1.5
Holiday pay accrual	**1.5**	1.1	**1.5**	1.1
Total other creditors	**19.8**	24.5	**19.4**	24.1

Deferred income

	Group		Charity	
	2021	2020	**2021**	2020
	£m	£m	**£m**	£m
Deferred income at 1 April	**1.5**	1.7	**1.5**	1.2
Released during the year	**(1.5)**	(1.7)	**(1.5)**	(1.2)
Income received during the year to be deferred	**2.0**	1.5	**2.0**	1.5
Deferred income at 31 March	**2.0**	1.5	**2.0**	1.5

Deferred income relates to events where income is received in advance.

11. Provisions for liabilities and charges

	Group		Charity	
	2021	2020	**2021**	2020
	£m	£m	**£m**	£m
Provision at 1 April	**4.3**	2.4	**4.3**	2.4
Provision utilised in year	**(2.0)**	(0.4)	**(2.0)**	(0.4)
Provision accrued in year	**2.1**	2.3	**2.1**	2.3
Provision at 31 March	**4.4**	4.3	**4.4**	4.3

The provision comprises the estimated future unavoidable lease costs of £0.1m (2020: £0.5m) in respect of loss-making stores and an estimate of the probable future costs of restoring rented properties to their required condition at the ultimate expiry of the lease of £4.3m (2020: £3.8m) based on the dilapidation costs required, provided the lease is not renewed. The provision is expected to be utilised between 2021 and 2037 as leases terminate. Prior to confirmation of the payment amount and date, estimations are made based on historical data, the ongoing monitoring of lease contracts, and liaison with property advisers.

12. Operating leases

At 31 March the Group had total commitments under non-cancellable operating leases as follows:

	2021	2020
Payment due:	**£m**	£m
Within one year	**26.6**	25.8
Between two and five years	**70.1**	70.0
After five years	**28.3**	29.5
Total operating lease commitments	**125.0**	125.3

Notes to the accounts

13. Subsidiary undertakings

The British Heart Foundation has three wholly owned non-charitable subsidiary undertakings registered in England and Wales, all of which are consolidated. The registered address for all the subsidiary undertakings is Greater London House, 180 Hampstead Road, London NW1 7AW.

Company name	Registered company number	Activity
British Heart Foundation Ventures Limited	02767880	Making commission arrangements and sponsorship agreements
BHF Shops Limited	02472513	Retailing new (non-donated) goods in BHF shops
London to Brighton Bike Ride Limited	02672643	Dormant, has not traded since 31 March 2020

The share capital of each subsidiary is as follows - British Heart Foundation Ventures Limited (3 ordinary shares of £1), BHF Shops Limited (2 ordinary shares of £1) London to Brighton Bike Ride Limited (1 ordinary share of £1).

The taxable profits of these undertakings is paid to the Charity (parent) each year as Gift Aid.

	British Heart Foundation Ventures Limited	BHF Shops Limited	**2021**	2020
	£m	£m	**£m**	£m
Turnover	0.8	12.7	**13.5**	32.5
Cost of sales	-	(8.7)	**(8.7)**	(18.2)
Gross profit	0.8	4.0	**4.8**	14.3
Other income	-	0.4	**0.4**	0.6
Other costs	-	(3.2)	**(3.2)**	(5.6)
Net taxable profit	0.8	1.2	**2.0**	9.3
Distribution to parent	0.8	1.2	**2.0**	8.5
Assets	(0.8)	(8.5)	**(9.3)**	8.5
Liabilities	0.8	8.5	**9.3**	(8.5)
Net assets	-	-	**-**	-

14. Pensions

The BHF operates a defined contribution scheme and a defined benefit scheme for its employees. The total pension cost for the financial year was:

Pension costs	2021	2020
	£m	£m
Defined contribution scheme	**4.8**	4.7
Defined benefit scheme	**0.2**	0.1
Total pension costs	**5.0**	4.8

i) Defined contribution scheme

The BHF operates a defined contribution scheme for certain eligible employees, the total cost of which for the year ended 31 March 2021 was £4.8m (2020: £4.7m). From 1 August 2013, all employees have been automatically enrolled into the defined contribution scheme and BHF contributes between 2% and 25% of pensionable salaries.

ii) Defined benefit scheme

The BHF operates a defined benefit scheme, the assets of which are held in a separate Trustee-administered fund. The scheme closed to new entrants from 30 June 2001 and to service accrual on 31 May 2016, such that from this date the pension benefit for the remaining active members will be of a defined contribution type.

The last valuation of the scheme was carried out as at 1 July 2020 and issued in March 2021. The market value of the scheme's assets at that date was £75.5m and it showed a funding surplus of £2.0m. For this reason, no further contributions to the Scheme are currently anticipated but the BHF will continue to separately settle the cost of running the Scheme. The next valuation is due as at 1 July 2023.

In accordance with the requirements of the relevant accounting standard (FRS 102), the full actuarial valuation of the defined benefit scheme dated 1 July 2020 has been updated at 31 March 2021 by a qualified actuary. This reflects the application of broadly consistent assumptions to the actuarial valuation, with the exception of the discount rate, where a less conservative rate is required by FRS 102. On the FRS 102 basis, the Scheme has a surplus at 31 March 2021 of £10.5m (2020: surplus of £15.5m). In accordance with FRS 102, this surplus is not recognised, as future economic benefits are not deemed available to the BHF in the form of a reduction in future contributions or a cash refund.

The major assumptions used for the actuarial valuation were :

	2021	2020	2019	2018	2017
	%	%	%	%	%
Salary growth	**3.4**	2.6	3.6	3.5	4.6
Pension increases in payment - Limited Price Indexation	**3.3**	2.0	2.6	2.5	2.6
Pension increases in payment - guaranteed	**5.0**	5.0	5.0	5.0	5.0
Discount rate	**2.0**	2.3	2.4	2.6	2.8
Inflation - RPI	**3.4**	2.6	3.6	3.5	3.6

Mortality

The average life expectancy in years of a pensioner retiring at age 65 on the balance sheet date is as follows:

	2021	2020
	years	years
Male	**86.9**	86.7
Female	**89.3**	89.0

The average life expectancy in years of a pensioner retiring at age 65 twenty years after the balance sheet date is as follows:

	2021	2020
	years	years
Male	**88.2**	87.7
Female	**90.7**	90.2

Notes to the accounts

14. Pensions (continued)

Major categories of plan assets as a percentage of total scheme assets

	Asset categories as a percentage of plan assets	
	2021	2020
	%	%
Corporate bonds	**79.0**	76.0
Liability Driven Investment (LDI) funds	**20.0**	23.0
Cash/other	**1.0**	1.0

Analysis of amount charged to the Statement of Financial Activities under FRS 102

	2021	2020
	£m	£m
Current service cost	**-**	-
Expenses	**0.2**	0.1
Past service cost	**-**	-
Total operating charge	**0.2**	0.1
Interest income on pension scheme assets	**(1.6)**	(1.5)
Interest on pension scheme liabilities	**1.2**	1.3
Interest effect of the asset ceiling	**0.4**	0.2
Total amount charged to the Statement of Financial Activities	**0.2**	0.1

Analysis of actuarial (loss)/gain and effect of asset ceiling

Actuarial (loss)/gain before consideration of asset ceiling	**(5.4)**	6.0
Amounts not recognised due to effect of asset ceiling	**5.4**	(6.0)
Total actuarial (loss)/gain and effect of asset ceiling	**-**	**-**

Analysis of changes in the present value of defined benefit obligations and fair value of assets

	Present value of defined benefit obligation		**Fair value of scheme assets**		**Asset ceiling**		**Net liability recognised in the balance sheet**	
	2021	2020	**2021**	2020	**2021**	2020	**2021**	2020
	£m	£m	**£m**	£m	**£m**	£m	**£m**	£m
Scheme (liabilities)/assets at the start of the year	**(53.5)**	(55.8)	**69.0**	65.1	**(15.5)**	(9.3)	**-**	-
Interest cost	**(1.2)**	(1.3)	**-**	-	**-**	-	**(1.2)**	(1.3)
Interest income on assets	**-**	-	**1.6**	1.5	**-**	-	**1.6**	1.5
Actuarial (loss)/gain	**(5.7)**	2.4	**0.3**	3.6	**-**	-	**(5.4)**	6.0
Benefits paid	**1.2**	1.2	**(1.2)**	(1.2)	**-**	-	**-**	-
Interest effect of the asset ceiling	**-**	-	**-**	-	**(0.4)**	(0.2)	**(0.4)**	(0.2)
Remeasurement of the asset ceiling	**-**	-	**-**	-	**5.4**	(6.0)	**5.4**	(6.0)
Scheme (liabilities)/assets at the end of the year	**(59.2)**	(53.5)	**69.7**	69.0	**(10.5)**	(15.5)	**-**	-

14. Pensions (continued)

Analysis of pension scheme assets and liabilities for the previous four financial years

	2021	2020	2019	2018	2017
	£m	£m	£m	£m	£m
Defined benefit obligation (DBO)	**(59.2)**	(53.5)	(55.8)	(52.6)	(53.9)
Fair value of pension scheme assets (including asset ceiling)	**59.2**	53.5	55.8	50.5	47.7
Pension deficit	**-**	-	-	(2.1)	(6.2)
Experience (loss)/gain on pension scheme assets	**(5.4)**	6.0	0.7	3.7	(5.6)
Adjustments as a percentage of pension scheme assets	**(9%)**	11%	1%	7%	12%

Analysis of change in the effect of the asset limit

	2021	2020
	£m	£m
Opening effect of the asset limits	**15.5**	9.3
Interest effect of the asset limit	**0.4**	0.2
Remeasurement of the asset limit	**(5.4)**	6.0
Closing effect on the asset limit	**10.5**	15.5

15. Financial instruments

		Group		**Charity**	
		2021	2020	**2021**	2020
	Note	**£m**	£m	**£m**	£m
Financial assets at fair value through statement of financial activities					
Investments	7	**149.4**	189.3	**149.4**	189.3
Financial assets that are debt instruments measured at amortised cost					
Amount owed by subsidiary undertakings	8	**-**	-	**8.8**	7.6
Sundry debtors	8	**2.6**	4.7	**2.5**	4.9
Accrued income	8	**8.8**	2.2	**8.7**	2.0
Accrued legacies	8	**72.2**	69.3	**72.2**	69.3
Cash and cash equivalents		**105.2**	68.8	**102.7**	66.9
		188.8	145.0	**194.9**	150.7
Financial liabilities at fair value through statement of financial activities					
Grants provision	9	**318.9**	348.0	**318.9**	348.0
		318.9	348.0	**318.9**	348.0
Financial liabilities that are debt instruments measured at amortised cost					
Sundry creditors	10	**1.8**	5.3	**1.7**	5.2
		1.8	5.3	**1.7**	5.2

Notes to the accounts

16. Related Party Transactions

Donations received from and expenses reimbursed to Trustees and the total employee benefits of the Executive Group of the Charity are disclosed in note 4. Transactions by the Charity with its defined benefit pension scheme are set out in note 14. There were no other transactions during the year that come within the FRS 102 definition of 'related party transactions'.

As set out in note 9 on pages 105 to 106, the Charity occasionally receives applications for grants from, and makes awards to, universities and hospitals which employ members of the Board of Trustees in senior research capacities. All such grants are made to institutions. A summary of the top 50 grants is provided on page 106. In certain cases, a BHF Trustee holds a senior position in the institutions we fund. In this context, the grant funding is regarded as being between related parties, as the individuals concerned holds a position of influence in both parties to the transaction. Such instances are set out below, although in no case was the Trustee involved in either the grant funding decision or the grant application process:

- Professor John Iredale is a Trustee of the Charity and Pro Vice-Chancellor of University of Bristol, which received £3.0m of grant funding during the year ended 31 March 2021 (2020: £3.2m).
- Professor Dame Anna Dominiczak is a Trustee of the Charity and Vice Principal of University of Glasgow, which received £1.7m of grant funding during the year (2020: £3.9m).
- Professor David Lomas is a Trustee of the Charity and Vice Provost of University College London, which received £3.2m of grant funding during the year (2020: £6.0m).

For the year the Charity received income of £1.2m (2020: £7.9m) from BHF Shops Limited and £0.8m (2020: £0.6m) from British Heart Foundation Ventures Limited, being a corporate Gift Aid payment to the parent charity. In addition BHF Shops Limited reimbursed the Charity £2.9m (2020: £4.3m) for services and other expenses incurred on its behalf.

At the year end, the Charity was due £8.0m (2020: £7.0m) from BHF Shops Limited, £0.8m (2020: £0.6m) from British Heart Foundation Ventures Limited and £nil (2020: £nil) from London to Brighton Bike Ride Limited.

Legal and administrative details

Registered office

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Company registration number: 699547
Registered charity number: 225971
Scottish registered charity number: SCO39426
Isle of Man charity number: 1295

Bankers and principal advisers

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