

Northern Ireland Chest, Heart & Stroke

Company Limited by Guarantee

Financial Statements for the year ended 31 March 2024

Trustees' Annual Report

The Trustees, who are also Directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 March 2024. The Trustees confirm that they comply with the requirements of the Charities Act (Northern Ireland) 2008 and Accounting and Reporting by Charities: Statement of Recommended Practice which applies to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Reference & Administrative Details

Reference and administrative details are shown in the schedule of members of the Board and professional advisers on page 2 - 3 of the financial statements.

The Directors

The Directors who served the charity during the period were as follows:

Professor MPS Varma - Chair
Mr J Collins - Vice-Chair
Mr I Lindsay - Hon Treasurer
Ms Christine Donnelly (resigned 14 December 2023)
Mr J Scholes
Mr T Earley
Mr B Gallen
Dr C Wilson
Prof Mike Shields
Tara Craig

Anne-Marie Marley was co-opted to the Board on 26 March 2024 and hopefully will be formally appointed as a Director/Trustee at the next AGM.

Company Secretary

Mr Declan Cunnane FCA

Structure, Governance & Management

The Charity is governed by Articles of Association adopted on 17 October 2012. They were revised at that time to take account of the Charities (NI) 2008 Act and the Companies Act 2006. They were subsequently amended at the General Meeting of the Company held on 15 December 2022 to adopt the changes proposed for the number of members required for a quorum at an AGM.

The Governance Board is responsible for the overall governance of the charity. Directors are either elected or co-opted and the total number of Directors may not exceed eleven or be less than five. Elected Directors may remain in office for nine years but an extension beyond this may be given if one is an office holder. Co-opted Directors are appointed by the Governance Board and shall hold office only until the next Annual General Meeting.

The Board delegates the exercise of certain powers in connection with the management and administration of the charity to the Finance Committee, the Audit & Risk Committee and to the Scientific Research Committee. This is controlled by regular reporting back to the Board, so that all decisions made under delegated powers are ratified by the full Board. However, it means that the Governance Board is not compelled to analyse and discuss every decision. Recommendations from each Committee are made to the Board. The Finance Committee and Audit & Risk Committee meet every three months in addition to a quarterly Board meeting. The Scientific Research Committee meets at least once a year.

An operational plan and budget for 2024/25 were approved by the Board on 26 March 2024. Continued expansion of services during 2024/25 is key to the three year Strategic Plan (2023-26) which was also approved by the Board in March 2023, together with key milestones and success measures to demonstrate the impact of our charitable activities and the real difference these make to the lives of people in Northern Ireland.

Chief Executive

The Chief Executive is responsible for the day-to-day management of the affairs of the charity and for implementing the policies and operational plans as agreed by the Governance Board. Between meetings of the Governance Board, the Chief Executive reports to the Chairman. The Chief Executive is assisted by a group of senior managers – the

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Strategic Leadership Team (SLT), which includes the Deputy Chief Executive, the Director of Public Health, the Director of Care and the Director of Income Generation.

Strategic Leadership Team (SLT)

Collectively these 5 individuals are known as the Strategic Leadership Team (SLT). The performance of the 3 Directors and the Deputy CEO is appraised by the CEO whilst the CEO's performance is appraised by the Chairman and a small number of the other Trustees as required. Annual Appraisals are undertaken after the year-end but there are also regular meetings throughout the year to discuss these key personnel's performance against agreed annual objectives.

Salaries of all staff are aligned to the NJC Scales, where staff normally receive an annual inflationary uplift in line with the NJC Scales. When the annual uplift is confirmed then a decision is made by the Board about whether to pass this on to staff in the current year, as it is subject to the Charity being able to afford this pay increase given there are nearly 90 staff. Staff have the option to join the Company Pension plan or Nest, to save for their retirement. The Charity will make Employer contributions at varying percentage levels in addition to employee contributions. A new Salary Sacrifice scheme was introduced during the 2022/23 via Royal London and most staff have availed of this pension arrangement.

Group Structure

The charity has two wholly owned subsidiaries:

NI Chest Heart & Stroke Enterprises Limited

This company was formed to carry out non-charitable trading activities for the Charity but it has not traded for a number of years. The Company reported a small loss of £97 (2023: loss of £119) for some administrative costs.

NI Chest Heart & Stroke Home Care Support Services Limited

This company was contracted to provide home care services on behalf of Sperrin & Lakeland Health & Social Care Trust but is no longer providing these services as the Contract has ended. The Company reported a loss of £113 (2023 loss of £113) for some administrative costs.

Sub Committees

The 3 sub-committees of Northern Ireland Chest, Heart & Stroke are:

- Finance Committee
- Audit & Risk Committee
- Scientific Research Committee

The Audit & Risk Committee commissions an internal audit to provide the Board and management with an independent objective opinion on risk management, control and governance. The Internal Auditors (ASM) were appointed for a 3-year term with the option to extend it to 5 years which has been adopted, and therefore ASM will remain in post to conduct Internal Audits up to and including 2024/25. The Audit & Risk Committee currently consists of five people, three Board members and two non-Board members who are independent from the Governance Board. One of the non-Board members resigned from the Committee in July 2023 and one of the Board members resigned in December 2023 so no longer sat on the Sub-Committee. During 2023/24 it was agreed by the Board that two of the Sub-Committees would merge into one Finance, Audit & Risk Committee so that a full complement of 5 people would be available for attendance at these quarterly meetings. The newly established Finance, Audit & Risk Committee consists of 4 Board Members & one independent member and is chaired by the Honorary Treasurer.

Trustee Selection, Appointment & Competence

When a vacancy exists on the Board/Committees, the office bearers and the Chief Executive identify the skill gaps and seek to identify an individual who can meet those needs. Discussions have been held by members of the Board and interested individuals to ensure that potential new appointments are made, and succession issues kept under review. Trustees (other than the 3 office bearers) must resign after 9 consecutive years in office and Ms Christine Donnelly will resign at this year's AGM having served that length of time on the Board. When a new Board Member is co-opted onto the Board they have the opportunity to attend meetings and observe before being formally appointed at the next AGM as a Director and Trustee. New Trustees have an Induction process where they receive the key documents of the Charity and meet with the CEO and other Board members to start to get fuller understanding of the Charity and what their role involves.

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Competencies of the Board and Sub Committees

The Directors include individuals with expertise in cardiology (2), stroke and respiratory disciplines. In addition, there is a senior director from the private sector in an engineering environment, a chartered accountant, a retired legal advisor and a retired individual with expertise in Human Resources. Tara Craig was appointed to the Board to support the Communication & Marketing activity. There is 1 Independent member who sits on the Finance, Audit & Risk sub-committee but is neither a Trustee or Director. Anne-Marie Marley works as an Allied Health Professional and will be a great addition to the Board.

Scientific Research Committee

Nearly every year, we award Research Grants to local Universities. The assessment of the quality and value to NICHHS of the various research projects is undertaken by the Scientific Research Committee. We were delighted that Prof Martin McKee agreed to Chair this Committee during 2022 and we are very proud of the quality of members on this Committee which continues to support our interest in Research.

External Audit

Moore (N.I) LLP act as our External Auditors following their successful appointment after a tender process. They will act for at least the forthcoming five years commencing with the year ended 31 March 2020 audit.

Internal Audit

ASM were appointed to provide an internal audit service for the 3 years commencing 31 March 2021. To date they have undertaken two Internal Audits and both have been satisfactory.

As Internal Auditors, ASM perform an internal risk assessment which will assess the inherent risk and strength of the control environment. ASM then prepare the internal audit plan each year based on the risk assessment and consultation with relevant members of management and the Audit & Risk Committee. Each year there is a Risk Management Workshop which helps identify the key risks facing the Charity.

The annual internal audit plan is prepared using a rotation-based approach where auditable units are subject to internal audit annually or less frequently based on risk. The internal audit risk assessment and plan is submitted annually to the Audit & Risk Committee for approval. The internal audit risk assessment and plan may be varied based on ASM findings, events or management requests and after consultation with relevant members of management or the Audit & Risk Committee to consider all pertinent matters.

The Internal Audit work will be performed in accordance with the ASM internal audit methodology, which is aligned to the Institute of Internal Auditors International Standards for the Professional Practice of Internal Auditing. Following execution of each Internal Audit assignment, ASM will issue a draft and then a final written report which will include a rating for each finding based on the audit findings assessment framework. The final Internal Audit report will include management's comments and plans for addressing audit findings. A tracking process and following up of actions to address findings will also be undertaken.

Investments Portfolio

The investment portfolio is managed by Evelyn Partners (formerly known as Smith & Williamson) who have been advised that the charity's primary aim is to preserve the capital value of investments against inflation with income generation and capital gain, being of secondary importance.

Consequently, the Trustees and Evelyn Partners have agreed a low to medium risk spread of investments. The Trustees have also instructed their advisors not to invest directly in any company, organisation or fund with links to the tobacco/e-cigarettes or petro-chemicals industry. The Investment Policy & Strategy is updated annually following discussion with the Finance Committee and the Board, and this was most recently updated on 23 July 2024.

The performance of the investments is monitored quarterly by the Finance Committee through comparison with a range of standard indicators. Members of the Finance Committee also meet with Evelyn Partners twice a year to review the Portfolio performance.

Andrew Dougal OBE – former CEO

Sadly the former CEO of NICHHS, Andrew Dougal passed away in June 2024. As CEO of NICHHS from 1983 to 2015 Andrew was a passionate advocate for people suffering from chest heart and stroke illnesses.

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He was instrumental in establishing the Fermanagh Bus Heart Screening Programme, the first of its kind in Northern Ireland in collaboration with the Erne (South West Acute) hospital. From the early 1990s Andrew led a campaign to greatly increase access to cardiac surgery in Northern Ireland. The number of cardiac surgical teams has now increased threefold.

Andrew played a key role in the development of the official Northern Ireland Stroke Strategy which was launched by Minister Michael McGimpsey in 2008. Substantially increased resources were directed to stroke and saw the introduction of clot busting drugs to combat stroke, greatly increased number and frequency of TIA Clinics and more resources for stroke in the community.

Andrew was awarded an OBE for his work in 1996 and he leaves a lasting legacy for which we are very grateful.

He is fondly remembered by everyone who knew him and he will be greatly missed.

Achievements & Performance

The overall Strategic Plan for the Charity was agreed for the 3 years ended 31/3/2026. The Strategic Plan is aimed at expanding our charitable activities primarily within our Care Services and Public Health Departments. The demand for our services and the need for our work has never been greater as there are 470,000 people in Northern Ireland living with chest heart & stroke conditions. Our activities continue to rely predominantly on donations from the public and for this we are very grateful.

During the year ended 31/3/2024 we supported almost 35,000 people and organisations, with our wide range of Care and Health Promotion services (2023:24,000).

Care Services Impact

Over the past year, we have helped almost 3,330 people (2023:2,600) and their families to adjust to life with a chest, heart or stroke condition. We have enabled them to improve their independence, confidence and overall quality of life by supporting them in their individual rehabilitation journey.

In summary we helped 1,078 stroke survivors, 659 people with respiratory conditions, 396 people with heart conditions and 89 carers. Unfortunately, the demand for our Care services continues to increase and we have had to recruit more staff to try to meet this increasing demand. We engage with people and their families in communities and are there for people to support their recovery process.

Health Promotion and Prevention Services Impact

We provided targeted services to workplaces, communities and schools to help detect early signs of chest, heart & stroke illness and empower individuals to make healthy choices. In total **31,260** (2023 :20,913) adults and children benefitted from our targeted health promotion services including 294 organisations.

During 2023/24 we delivered

- Health Checks to **9,000** (2023:6,447) people encouraging the recipients to make healthy lifestyle changes and signposted some of them to their GP;
- Health Promotion in the Workplace to **3,647** (2023:7,943) employees and in so doing trained 131 (2023 :145) new Health Champions;
- Health Promotion in 87 (2023:57) Schools and Community Organisations, where **18,168** (2023:5,891) parents and young people benefitted from our health education programmes;
- Our Health & Homelessness Service where hostels were supported, benefitting 658 (2023:374) staff and residents of the hostels.

Research

Research is vital to the work we do in the fight to prevent chest, heart and stroke conditions. There are currently 19 live Research projects. Our Scientific Research Committee approved funding for 4 new projects totaling £454,069 following the submission of high quality research projects during the year ended 31/3/2024. Prior to making a funding offer these projects need to be peer reviewed and there is a detailed quality led selection process required in assessing all funding applications.

A special thanks to the members of our Scientific Research Committee and our Peer Reviewers who reviewed the 22 grant applications received.

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Campaigning & Lobbying

Some of the areas that we have continued to lobby local representatives and Government on include the failure to drive forward the reform of Stroke Services and the agreed Action Plan. We also launched our Cardiac & Respiratory manifestos and campaigned in support of the Tobacco & Vaping Bill. We increased engagement with the Assembly members and others to push for a Clean Air Strategy as part of the Healthy Air NI Coalition.

Plans for future periods

NICHHS's Strategic Plan (2023 – 2026) sets out how we want to make a positive difference and impact on the lives of people in Northern Ireland. While our priorities have not changed, our Strategic Plan for the next 3 years ended 31/3/2026 provides detail on how we plan to increase our service offering to meet the local needs. We still aim to

- contribute to a 25% decrease in the number of deaths from preventable chest heart & stroke illnesses in Northern Ireland;
- double the number of people who will benefit from our care and prevention services.

Volunteers

Volunteers within Northern Ireland Chest Heart and Stroke are immensely important in the delivery of our services. As such they are involved in every aspect of what we do and are crucial to connect us to local communities. Roles are diverse and include a wide variety such as Governance Board members, care services support and fundraising ambassadors. NICHHS ambassadors exist to raise awareness of NICHHS within local communities and office-based volunteers support departments with various administration tasks.

At the end of March 2024 we had approximately 180 volunteers across Care, Fundraising, Corporate Services and without their support we could not deliver what we do, manage the events we organise and we are very grateful for this much needed help.

Supporters

The generosity of individuals and companies across Northern Ireland continues to be the cornerstone of our income generation at NICHHS. We would like to thank each and every one of our supporters. Your commitment to supporting our life enhancing services and life-saving research is inspirational.

Some Corporates have also supported us during the year to provide gifts in kind and again we would like to acknowledge Balloo Hire, Linwoods, Coffology and Tesco (Carrickfergus and Newtownards) for their continued generous support.

Income

Voluntary income continued to improve during 2023/24, with a noted increase in donations from community sources. The number of legacy gifts remained steady, with 75 individual gifts left in wills, accounting for over half of total income generation from the Fundraising Team. Almost 90% of our services are funded by public donations so we are extremely grateful to the public for their commitment and ongoing support.

During the year we also received funding from a number of Trusts and Foundations whom we would like to acknowledge including Dean's Charitable Trust, Darragh Foundation Trust, Maureen Boal Charitable Trust, Ardarron Trust, Dorinda Lady Dunleath Charitable Trust, The Lorimer Trust, The TBF & KL Thompson Trust, and The Ardfoy Trust.

Other Income

The charity continues to receive valuable rental income from an ATM machine at the premises on Dublin Road, Belfast.

Unrestricted Reserves

The charity's reserves policy is to maintain a level of resources which matches the needs of the organisation both at the current time and in the foreseeable future. The reserves required should be sufficient to cover funds invested in land and buildings plus six months unrestricted expenditure.

Our reserves as at 31 March 2024 exceed this level by £4,053,372 (2023: £3,587,599) mainly as a consequence of better than expected receipts from legacies during the last few years.

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The Trustees have agreed to increase our charitable expenditure over the next 2-3 years in a measured and targeted fashion, in line with the priorities set out in our Strategic Plan and costed in our annual budget. Our Impact Framework Model assists us in ensuring that expenditure is targeted at areas that create the biggest impact. The Trustees are also conscience of the geographical spread throughout NI of our services and that we are reaching the areas of greatest demand. We cover three distinct disease areas and appreciate that providing invaluable services in the communities continues to be unique.

Investments

The charity engages Evelyn Partners (formerly Smith & Williamson) to manage a discretionary investment portfolio.

As at 31 March 2024 the market value of investments had increased to £6,260,481 (2023: £5,030,023). During the year there was an overall gain in value of investments as the investments recovered from the previous book loss in the year ended 31/3/2023. Unless the income reduces significantly there are no plans to realise a significant portion of this portfolio which is managed on behalf of the Charity by Evelyn Partners. No investment is made in any company or organisation which has links to the tobacco, e-cigarettes and petro-chemical industries or which is otherwise in conflict with the ethos and aims of the charity. Evelyn Partners also provide the Charity with a report on the ESG rating of our Investment Portfolio which to date is also in the top AA range. During 2023/24, following the advice of Evelyn Partners funds were invested successfully in Treasury Bills which generated a return better than would have been achieved had the funds been held on deposit with banks. This approach to managing these funds is discussed at each quarterly Finance Audit & Risk Committee and at the Governance Board meetings.

The approximate gross annual income from the portfolio is £127,073 (2023: £112,787). This portfolio provides a steady annual income stream, but the main purpose is the preservation of capital.

Pensions

The charity operates a defined contribution pension scheme for the benefit of its permanent staff who wish to participate in it. The assets are administered by insurance companies in personal pension plans and are held independently from those of the charity. During the year, the Charity introduced the option of a Salary Sacrifice Scheme for pension contributions which was made available to all employees. The Charity still also provides a NEST scheme which staff participate in if they do not wish to move to the Royal London Scheme. Contributions are charged to the Statement of Financial Activities in the period to which they relate. The Charity is auto enrolment compliant.

Results

The results for the year and the charity's financial position at the end of the year are shown in the attached financial statements.

Responsibilities of the Directors

The Directors are responsible for preparing the Directors' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The financial statements are required by law to give a true and fair view of the of the charity and of the surplus or deficit of the charity for that period.

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

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with Companies Act 2006. The Directors are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud or any other irregularities.

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In so far as the Directors are aware:

- There is no relevant audit information of which the charity's auditors are unaware; and
- The Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditor

A resolution to appoint auditors following a competitive process will be proposed at the Annual General Meeting.

BY ORDER OF THE DIRECTORS

DECLAN CUNNANE FCA
COMPANY SECRETARY

Date: 12 December 2024