

**BOURNEMOUTH HEART CLUB**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

# **BOURNEMOUTH HEART CLUB**

## **LEGAL AND ADMINISTRATIVE INFORMATION**

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**Trustees**

Mr Nick Morgan (Chairman)  
Mr Peter Hodges (Vice-Chairman)  
Mr Colin Southgate (Treasurer)  
Mr John Slade  
Mr Graham Flexman MSc CiLCA DMS MBA  
Mrs Julia Baker  
Mr Keith Skinner  
Mrs Pauline Potentier

**Patron**

Mr Graeme Souness

**Charity number**

1006725

**Principal address**

Royal Bournemouth Hospital (F10)  
Castle Lane East  
Bournemouth  
Dorset  
BH7 7DW

**Independent examiner**

Hill Osborne  
Tower House  
Parkstone Road  
Poole  
Dorset  
BH15 2JH

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# BOURNEMOUTH HEART CLUB

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# **BOURNEMOUTH HEART CLUB**

## **TRUSTEES' REPORT**

***FOR THE YEAR ENDED 31 MARCH 2021***

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The Trustees present their report and accounts of the charity for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's constitution, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

### **Objectives and activities**

The objects of the Club as stated in its Constitution are the relief or prevention of sickness amongst persons with or at risk of heart disease, in particular those with coronary disease, and for the rehabilitation of those who have undergone cardiac intervention.

The Club was established to provide regular exercise sessions and education regarding healthy lifestyle habits amongst persons who have suffered from heart attacks or who have undergone heart surgery or heart procedures. The remit has also been extended to the rehabilitation of patients who have undergone angioplasty, or who are dealing with heart failure. A Prevention Scheme has been developed and launched to cover those at risk of heart issues.

The Heart Club's activities take place in a purpose-built building housing two gymnasiums, changing rooms, members' lounges and office accommodation.

When the Club moved into the present building in September 1996 there were 405 members and 9 exercise sessions each week. Membership had steadily increased to a peak of 1500 but has declined due to the pandemic and there are now 686 members and less than 25 exercise sessions each week.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

# **BOURNEMOUTH HEART CLUB**

## **TRUSTEES' REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 MARCH 2021**

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#### **Achievements and performance for 2020-21**

Review of the year 2020-21:

- The Heart Club had to go into lockdown during the last week in March 2020, and for the complete financial year the main goal has been around the survival of the Bournemouth Heart Club.
- At the start of the lockdown the income from exercise classes was Zero. The creation of exercise videos led to some income and the generosity of many Members was appreciated, sending donations or paying a regular amount each month to cover their normal exercise class costs. However, as the year progressed there was a slowdown of Exercise fees, Donations and Legacies. Hence the overall trading year showed a higher-than-average loss.
- Whilst planning for the end of the first lockdown, the Management Team developed detailed return to operations plans, marked out both gyms with squares that ensured social distancing. The BHC building was made as Covid-19 secure as possible with a one-way system with constant intensive cleaning activities. Members who came to classes had to have their temperature taken and had to adhere to the one-way system in operation as well as wearing a mask until the session began.
- Classes at the Heart Club were possible during the various lockdowns, but the use of Zoom was constant throughout the year, both for exercise classes and meetings and this will continue.
- The Management team together with the Finance Committee worked very hard to control the BHC existing costs and exercised serious financial prudence. Certain overheads could not be ignored to ensure the safety of the Staff, Gym equipment and the actual BHC building.
- At the end of 2019 the Trustees unanimously agreed to change the way the Club invested their Assets. The previous route using Building Societies and Banks was becoming less rewarding as these organisations were reducing their interest rates to under 1%, or even ceasing to accept funds from Charities entirely. The decision taken by the Trustees was to enter the Wealth Management market via two significant Providers. This change of investment policy had an immediate effect with good returns, and this continued which has helped to limit some of the current trading losses and maintain the overall asset value. There are a limited number of financial institutions that offer a safe haven for charities to invest.
- Due to the Covid-19 situation all Fundraising events have had to be stopped. The staff have kept in touch with the members to remind them of ways to help the Club to raise funds. Our inclusion in the Amazon Smile scheme and the local BCP Lottery have helped raise funds on a regular basis.
- Another major change to operations was the introduction of advanced booking of classes and pre-payment via Credit and Debit cards or bank transfer being required. This will continue in the future, making our operations 'cashless'
- A considerable number of members have lapsed their membership during 2020-21, which means that if they do return then further assessment will be required to ensure safe exercise can take place.
- The Club has issued newsletters throughout the year to keep the members informed with feedback encouraged.
- The Club has benefited from inclusion in HM Government's Job Support Schemes, and we have supported the Club's staff as much as we could possibly have done.
- Work has continued on the Development of our Prevention scheme, 'Keep Well', but obviously we have not physically been able to offer the system to the public.
- An 'Open Gym' service was designed and developed to start once the general lockdown was lifted.
- The BHC Website has been redesigned by our Management Team using our external IT support provider and will be launched in 2021-22.
- We have used external professional Video services to create a CD showing both standing and seated exercise routines which will be sold to the members.
- It was not possible to hold an Annual General Meeting in 2020 due to the effects and restrictions of the Pandemic, but it is intended to hold an AGM in 2021.

# **BOURNEMOUTH HEART CLUB**

## **TRUSTEES' REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 MARCH 2021**

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#### **Financial review**

At 31st March 2021 Building Society and Bank balances plus cash in hand totalled £1,030,312 (2020 - £951,056). After paying creditors the sum of £11,564 (2020 - £13,117), there remains £1,018,748 (2020 - £937,939) for the purposes prescribed in the Constitution.

The Trustees believe that Bournemouth Heart Club needs to build and maintain financial reserves to:

- Meet planned and unplanned expenditure in the short term, including maintenance and repairs, repair and replacement of exercise equipment
- Safeguard the medium and long term future of the Bournemouth Heart Club, by investing in new and improved exercise regimes.

Dealing with the first financial objective is straightforward as it represents a normal contingency for any organisation and funds are already in hand. The second financial objective requires significant planning as the Club's lease with the Royal Bournemouth and Christchurch Hospitals NHS Foundation Trust has been extended for a further 25 years from 2021 to 2046. As a result, the Trustees have decided that there should be two levels of reserve:

- An undesignated general fund to meet the levels of expenditure set out above.
- A designated fund, the value of which remains unrestricted, which is in place to cover the potential costs of three areas, the first being the cyclical cost of replacing exercise equipment, the second is to cover any repairs to the structure of the Heart Club building during the period of the extension of the lease when it is anticipated such repairs are likely to be necessary. Included in this fund is the cost of the lease extension which will be written back to general reserves over the period of the lease, and the third represents the initial spend on Prevention. The levels of these reserves and policies behind them are reviewed annually by the Trustees ahead of the Club's AGM.

The Trustees have assessed the major risks to which the charity is exposed and are satisfied that processes and procedures are in place to mitigate exposure to the major risks.

#### **Plans for the forthcoming year 2021-22**

- Create processes and procedures to manage the BHC Infrastructure when the revised Lease conditions come into force from August 2021. In brief the Heart Club will be responsible for maintenance costs over and above the support fee received under the terms and conditions of the lease. All spending will be kept under review as we restart without impacting service and safety considerations.
- We will create a roadmap that the BHC need to follow during 2021-22 and this will include following the Government instructions when they are issued, as well as keeping the members' and staff safety as the top priority. This will include how to reintroduce the circuit-based exercise classes including the use of the cardiovascular equipment as well as that of the smaller pieces of equipment which are currently in operation, and how to introduce a safe operational procedure for the Tea Bar to be available for members.
- We will be looking into how we can improve the retention of the current membership as well as looking into activities that will help to increase our membership, with the possibility of working with those who are now suffering with long covid symptoms in the community. This will stem from the results of a Pilot scheme that we are currently involved in with the Respiratory team at the University Hospital Dorset.
- The Job Support Scheme will continue to be managed until the end of September 2021, when the scheme is due to cease nationally. Before this time, we will be investigating the restructure of the staffing personnel to ensure that the Club is staffed to the correct levels for the future operation of the Club.
- As Covid-19 restrictions are relaxed we will look to restarting our Fundraising activities, as well as continuing to encourage donations.
- Membership management will be a priority throughout the year to encourage the retention of the current membership as well as involving exercises to source new members to add to this. This will also involve an investigation into obtaining an administration system to accommodate the Club's needs and future operations, enabling us to provide a better service to all.

# **BOURNEMOUTH HEART CLUB**

## **TRUSTEES' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 MARCH 2021***

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### **Plans for the forthcoming year 2021-22 (continued)**

- Throughout the early part of 2021 we have been working with our IT support team to put together a new and improved website, which will be launched during the summer of 2021. This will accommodate the management of the use of Zoom classes, eventually supporting the booking of all BHC facilities on offer.
- Due to the Covid 19 restrictions there has been no marketing of the scheme since March 2020. Active marketing is planned from September 2021.
- Since April 2021 the club has been working with the University Hospitals Dorset NHS Foundation Trust Occupational Health Department and Acute Therapy Team in a joint venture to provide rehabilitation to members of staff suffering from long-term symptoms following Covid infection. This condition has been widely reported in the press as Long Covid. The first of 8 pilot rehab courses started in early July and the outcome of these will be under review with the intention of providing further courses to the hospital staff.
- The Office for National Statistics estimate in 2021 that 962,000 people in the UK (1.5% of the population) are likely to be suffering from Long Covid effects and it is the intention following these pilot hospital courses to make a Long Covid rehab course available to GPs (hopefully via Dorset CCG), private organisations and individuals by self-referral.

### **Structure, governance and management**

The Constitution of the Bournemouth Heart Club was registered with the Charity Commission in December 1991. The Constitution was revised and adopted by the Bournemouth Heart Club on 13th June 2002, and subsequently revised on 9th August 2010, 25th July 2013, 24th July 2014 and on 20th July 2017. The Club is an unincorporated Association.

The Trustees who served the charity during the year were:

Dr Vivek Kodoth MD, FRCP (UK) (President) (Resigned 25 February 2021)  
Mr Nick Morgan (Chairman)  
Mr Peter Hodges (Vice-Chairman)  
Mr Colin Southgate (Treasurer)  
Mr John Slade  
Mr Graham Flexman MSc CiLCA DMS MBA  
Mrs Julia Baker  
Mr Keith Skinner  
Mrs Pauline Potentier

All Trustees (except the President) are elected by the members of the Bournemouth Heart Club for a three-year term of office. The President is elected by the Trustees. Past President and Founder, Dr Adrian Rozkovec will serve the Trustees in a co-opted advisory role, for the same period. The policy and general management of the affairs of the Club are directed by a Trustees Committee comprising the Trustees. Ms Caroline Marshall is the Manager of the Heart Club and her duties include her attending meetings of the Trustees Committee.

As the building is owned by the NHS Trust, there is a close liaison through a separate Management Committee, which meets several times each year and comprises:

- The Trustees of the Heart Club
- A Non-executive Director of the NHS Trust
- An Executive Director of the NHS Trust.

No meetings were held during the year due to the Pandemic and an Non-Executive Director of the Trust not being appointed by the Trust

# **BOURNEMOUTH HEART CLUB**

## **TRUSTEES' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 MARCH 2021***

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### **Independent Examiner**

The Trustees have requested that Hill Osborne carry out an independent examination in accordance with the Charity's Constitution.

Signed on behalf of the Trustees Committee

.....

**Mr Nick Morgan**

Chairman

Dated: .....

.....

**Mr Colin Southgate**

Treasurer

Dated:.....

# **BOURNEMOUTH HEART CLUB**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

***FOR THE YEAR ENDED 31 MARCH 2021***

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The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

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 SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# **BOURNEMOUTH HEART CLUB**

## **INDEPENDENT EXAMINER'S REPORT**

### **TO THE TRUSTEES OF BOURNEMOUTH HEART CLUB**

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I report to the Trustees on my examination of the financial statements of Bournemouth Heart Club (the charity) for the year ended 31 March 2021.

#### **Responsibilities and basis of report**

As the Trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### **Independent examiner's statement**

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with 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) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

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

**R.I. Osborne, FCCA ACA**  
**Hill Osborne Ltd**  
**Chartered Accountants**

Tower House  
Parkstone Road  
Poole  
Dorset  
BH15 2JH

Dated: .....

# BOURNEMOUTH HEART CLUB

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

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		Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Total 2021 £	Total 2020 £
	Notes				
<b>Income from:</b>					
Donations and legacies	3	51,032	-	51,032	41,098
Charitable activities	4	178,093	-	178,093	207,876
Activities for generating funds - sales of books, shirts, raffles etc.,	5	9,156	-	9,156	23,617
Investments	6	7,000	-	7,000	8,302
<b>Total income</b>		<u>245,281</u>	<u>-</u>	<u>245,281</u>	<u>280,893</u>
<b>Expenditure on:</b>					
Costs of generating funds	7	1,567	-	1,567	2,970
Charitable activities	8	284,009	-	284,009	328,641
<b>Total resources expended</b>		<u>285,576</u>	<u>-</u>	<u>285,576</u>	<u>331,611</u>
Net gains/(losses) on investments	13	98,355	-	98,355	(44,981)
<b>Net incoming/(outgoing) resources before transfers</b>		58,060	-	58,060	(95,699)
Gross transfers between funds	20	(9,535)	9,535	-	-
<b>Net movement in funds</b>		<u>48,525</u>	<u>9,535</u>	<u>58,060</u>	<u>(95,699)</u>
Fund balances at 1 April 2020		500,795	1,103,318	1,604,113	1,699,812
<b>Fund balances at 31 March 2021</b>		<u>549,320</u>	<u>1,112,853</u>	<u>1,662,173</u>	<u>1,604,113</u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

# BOURNEMOUTH HEART CLUB

## BALANCE SHEET

AS AT 31 MARCH 2021

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	Notes	2021		2020	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	14		620,913		640,024
<b>Current assets</b>					
Stocks		1,991		2,062	
Debtors	15	20,521		24,088	
Investments	16	972,025		913,819	
Cash at bank and in hand	17	58,287		37,237	
			1,052,824		977,206
<b>Creditors: amounts falling due within one year</b>	18				
			(11,564)		(13,117)
Net current assets			1,041,260		964,089
<b>Total assets less current liabilities</b>			1,662,173		1,604,113
<b>Income funds</b>					
Unrestricted funds - designated			1,112,853		1,103,318
<u>Unrestricted funds - general</u>					
Designated funds	20	1,112,853		1,103,318	
General unrestricted funds		(563,533)		(602,523)	
			549,320		500,795
			1,662,173		1,604,113

The accounts were approved by the members of the Committee on .....

.....  
Mr Nick Morgan  
**Chairman**  
Signed on behalf of the Committee

.....  
Mr Colin Southgate  
**Treasurer**

# **BOURNEMOUTH HEART CLUB**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 MARCH 2021**

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#### **1 Accounting policies**

##### **1.1 Accounting convention**

The financial statements have been prepared in accordance with the charity's constitution, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

##### **1.2 Going concern**

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

##### **1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

##### **1.4 Incoming resources**

Income is received by way of membership subscription, exercise fees, donations, gifts, legacies and fund-raising activities.

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Membership subscriptions are included in the accounts in full on the date of receipt.

# BOURNEMOUTH HEART CLUB

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

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### 1 Accounting policies

#### 1.5 Resources expended

The salaries included within Charitable Activities relate to exercise staff. Within the heading of Office and Centre Costs are included office and administration staff salaries. These staff members spend a proportion of their time in dealing with charitable activities of the Heart Club in relation to membership and exercise classes. However it is impracticable to accurately apportion these costs between specific Charitable Activities and Office Centre Costs and therefore the total costs are shown under the heading Office and Centre Costs.

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life. These rates were as follows;

Exercise and cardiac equipment	4 years straight line
Fixtures and fittings	4 years straight line
Office equipment	4 years straight line
IT equipment	3 years straight line
Tablets and mobile phones	2 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

#### Heart Club Facilities

Bournemouth Heart Club does not own the completed building but has a lease for 25 years at a peppercorn rent from September 1996 to 2021. In 2010 negotiations were concluded to extend the lease for a further 25 years to 2046. As part of this agreement a capital transfer of £592,000 was made from the Club to the Royal Bournemouth and Christchurch Hospital NHS Trust as a payment in advance (index linked) to cover the cost of the extension from 2021 to 2046. The cost of the lease in Tangible Fixed Assets relates to the cost of the lease of the property for the benefit of the Club from 2021 to 2046. The cost of the lease therefore will be written off in the twenty-five year period from 2021 to 2046. Items of moveable equipment and furnishings are capitalised and shown as part of fixed assets of Bournemouth Heart Club.

#### 1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.8 Stocks

Stock comprises stamps, car parking fobs and locker tokens and has been valued at the lower of cost and net realisable value, after making allowance for obsolete and slow moving items.

#### 1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

# BOURNEMOUTH HEART CLUB

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

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### 1 Accounting policies

#### 1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

#### 1.11 Other investments

Other investments comprise call deposits with original maturities of more than three months.

### 2 Critical accounting estimates and judgements

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

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

# BOURNEMOUTH HEART CLUB

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

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### 3 Donations and legacies

	<b>Unrestricted funds general 2021 £</b>	Unrestricted funds general 2020 £
Donations and gifts	37,450	25,069
Legacies receivable	13,582	16,029
	<u>51,032</u>	<u>41,098</u>
<b>Donations and gifts</b>		
General donations	31,155	13,140
Gift aid	6,200	7,314
Car parking deposits released to Bournemouth Heart Club	(25)	2,395
Car parking fees (non-returnable)	120	2,220
	<u>37,450</u>	<u>25,069</u>

### 4 Charitable activities

	<b>2021 £</b>	<b>2020 £</b>
Membership subscriptions and exercise fees	37,340	189,350
Membership subscriptions and exercise fees - Prevention	816	3,076
Furlough Grants	120,660	-
Furlough Grants - Prevention	4,356	-
RBCH Trust - reimbursed	14,921	15,450
	<u>178,093</u>	<u>207,876</u>

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# BOURNEMOUTH HEART CLUB

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 5 Activities for generating funds - sales of books, shirts, raffles etc.,

	2021	2020
	£	£
Polo shirts	-	651
Cycle ride	-	20
3 Peaks Challenge	-	24
Raffles	-	5,418
Marathon - Ceri Shephard	-	2,110
Locker Tokens	-	422
Talks	-	294
100 Club	2,352	4,800
Half marathon - Jamie Pickett	-	577
BH Coastal Lottery	2,152	1,737
Collect Ebay	-	929
Virgin Money	2,787	1,889
Amazon Smile	344	139
PayPal Giving	645	675
Purple Patch	837	-
Other items	39	3,932
	<u>9,156</u>	<u>23,617</u>

### 6 Investments

	2021	2020
	£	£
Other investment interest receivable	<u>7,000</u>	<u>8,302</u>

### 7 Costs of generating funds

	2021	2020
	£	£
<u>Costs of generating donations and legacies</u>		
Jurassic Walk Entries	(253)	253
Marathon Entries	-	85
Talks	-	92
100 Club	1,800	2,500
Lottery licence	20	40
	<u>1,567</u>	<u>2,970</u>

# BOURNEMOUTH HEART CLUB

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

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### 8 Charitable activities

	2021 £	2020 £
Exercise staff costs	140,831	162,725
Office staff costs	68,636	76,642
Office and centre costs	44,719	60,805
Prevention staff costs	5,973	6,798
Cleaning staff costs	13,430	10,689
	<u>273,589</u>	<u>317,659</u>
Share of governance costs (see note 10)	10,420	10,982
	<u>284,009</u>	<u>328,641</u>

# BOURNEMOUTH HEART CLUB

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 9 Office and centre costs

	2021	2020
	£	£
Insurance	5,545	5,803
First aid equipment	-	96
Advertising - promotional video	4,002	-
AGM costs	-	112
Minor gym equipment	166	117
Prevention equipment	-	192
Advertising/ leaflets - Prevention	413	-
Exercise equipment maintenance	(120)	915
Air conditioning maintenance	499	509
Website maintenance	134	-
Members polo shirts	12	937
Telephone	203	41
Postage and stationery	1,197	1,608
Bank charges	223	422
Merchant rental charges	230	-
EVO monthly charges	298	-
Rates and water	4,332	4,264
Repairs and maintenance	-	8,932
New parking fobs	75	33
Cleaning materials	220	329
Depreciation - exercise and cardiac equipment	9,595	9,595
Depreciation - office equipment and fixtures & fittings	10,043	10,029
IT maintenance and support	6,142	8,601
Payroll processing fees	370	123
Office equipment	698	708
Locker tokens	-	(100)
Refreshments for staff on courses and meetings	92	205
Staff gift vouchers	-	851
G4S	72	895
Staff training	(510)	2,909
DBS checks for trustees	-	50
Refreshments for members	65	1,411
Staff uniforms	18	829
Miscellaneous sundry costs	705	389
	<u>44,719</u>	<u>60,805</u>

# BOURNEMOUTH HEART CLUB

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

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### 10 Support costs

	Support costs	Governance costs	2021	2020	Basis of allocation
	£	£	£	£	
Independent examination	-	2,740	2,740	2,680	Governance
Legal and professional	-	3,233	3,233	2,999	Governance
Bookkeeping fees	-	4,447	4,447	5,303	Governance
	<u>-</u>	<u>10,420</u>	<u>10,420</u>	<u>10,982</u>	
Analysed between Charitable activities	-	10,420	10,420	10,982	

### 11 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year, or were paid any expenses during the year.

### 12 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Full time equivalent	<u>10.45</u>	<u>10.70</u>

There were no employees whose annual remuneration was £60,000 or more.

### 13 Net gains/(losses) on investments

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Revaluation of investments	<u>98,355</u>	<u>(44,981)</u>

# BOURNEMOUTH HEART CLUB

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 14 Tangible fixed assets

	Lease	Exercise and cardiac equipment	Fixtures and fittings	Office equipment	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 April 2020	597,778	48,894	43,801	3,884	694,357
Additions	-	-	-	527	527
At 31 March 2021	597,778	48,894	43,801	4,411	694,884
<b>Depreciation and impairment</b>					
At 1 April 2020	-	29,705	21,775	2,853	54,333
Depreciation charged in the year	-	9,595	9,004	1,039	19,638
At 31 March 2021	-	39,300	30,779	3,892	73,971
<b>Carrying amount</b>					
At 31 March 2021	597,778	9,594	13,022	519	620,913
At 31 March 2020	597,778	19,189	22,026	1,031	640,024

### 15 Debtors

	2021	2020
	£	£
<b>Amounts falling due within one year:</b>		
Gift aid receivable	6,201	11,017
RBCH Trust	2,825	3,183
Prepayments and accrued income	11,495	9,888
	20,521	24,088

# BOURNEMOUTH HEART CLUB

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 16 Investments

	2021	2020
	£	£
Close Brothers Treasury	85,000	85,000
Skipton Building Society	84,000	84,639
Shawbrook Bank	75,000	75,000
Julian Hodge Bank	-	78,507
Cambridge & Counties Bank	81,546	80,164
United Trust Bank	80,710	79,123
Nationwide Building Society	30,670	30,651
Yorkshire Building Society	5,724	5,716
Investec Wealth & Investment Portfolio	285,542	212,942
Quilter Plc Portfolio	243,833	182,077
	<u>972,025</u>	<u>913,819</u>

The Julian Hodge Bank matured on 17 January 2021.

The United Trust Bank balance of £80,710 is held in a fixed bond with a maturity date of 27 September 2021.

The Close Brothers Treasury balance of £85,000 is held in a fixed bond with a maturity date of 24 August 2021.

The Skipton Building Society balance of £84,000 is held in a fixed bond with a maturity date of 28 December 2021.

### 17 Cash at bank and in hand

	2021	2020
	£	£
HSBC Treasury account	22,084	6,987
HSBC Savings account	36,001	30,047
Cash in hand	202	203
	<u>58,287</u>	<u>37,237</u>

### 18 Creditors: amounts falling due within one year

	2021	2020
	£	£
Parking deposits	5,075	5,540
Other creditors	170	45
Accruals	6,319	7,532
	<u>11,564</u>	<u>13,117</u>

# BOURNEMOUTH HEART CLUB

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

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### 19 Retirement benefit schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £2,808 (2020- £3,003) and is included in staff costs.

### 20 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the Trustees for specific purposes:

	Balance at 1 April 2019	Transfers	Balance at 1 April 2020	Transfers	Balance at 31 March 2021
	£	£	£	£	£
Designated Property Repair and Replacement Fund	380,000	10,000	390,000	10,000	400,000
Designated Equipment Replacement Fund	100,000	-	100,000	-	100,000
Designated Parking Deposits Fund	5,885	(345)	5,540	(465)	5,075
Lease Fund 2021-2046 (Prepaid 2010)	597,778	-	597,778	-	597,778
Designated Prevention Fund	10,000	-	10,000	-	10,000
	<u>1,093,663</u>	<u>9,655</u>	<u>1,103,318</u>	<u>9,535</u>	<u>1,112,853</u>

The Designated Property Repair and Replacement Fund is a designated, but unrestricted fund set aside by the Trustees in order to enable monies to be available to help to meet the possible financial burden at the end of the current building lease.

The Designated Equipment Replacement Fund is a designated, but unrestricted fund set aside by the Trustees as funds for the cyclical replacement of the exercise equipment.

The Designated Parking Deposits Fund is a designated, but unrestricted fund set aside by the Trustees as funds held on behalf of members for car park access passes refundable to members on cessation of membership. (This is held in a separate building society account)

The Lease Fund is a designated, but unrestricted fund set aside by the Trustees in order to recognise the amount of funds represented by the Lease of the Heart Club.

# BOURNEMOUTH HEART CLUB

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

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### 21 Analysis of net assets between funds

	Unrestricted funds 2021 £	Designated funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Designated funds 2020 £	Total 2020 £
Fund balances at 31 March 2021 are represented by:						
Tangible assets	23,135	597,778	620,913	42,246	597,778	640,024
Current assets/(liabilities)	526,185	515,075	1,041,260	458,549	505,540	964,089
	<u>549,320</u>	<u>1,112,853</u>	<u>1,662,173</u>	<u>500,795</u>	<u>1,103,318</u>	<u>1,604,113</u>

### 22 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).