



Trustees' Annual Report and Unaudited Financial Statements

for the year ended 31 March 2021

Taking fitness *to heart*

The Basingstoke and Alton Cardiac Rehabilitation Charity Ltd (Company Limited by Guarantee)
Registered Office: Cardiac Rehab Centre, Chawton Park Road, Alton, Hants GU34 1RQ
Registered in England. No. 2732756

Registered Charity No. 1013238

Annual Report and Financial Statements for the year ended 31 March 2021

Contents	Page
Directors, trustees, officers and advisers	2 - 3
Trustees' Annual Report for the year ended 31 March 2021	4 - 10
Independent Examiner's Report	11
Statement of Financial Activities	12
Balance Sheet 31 March 2021	13
Cash flow statement for the year ended 31 March 2021	14
Notes to the Financial Statements	15 - 26
Detailed Statement of Financial Activities	27 - 29

Annual Report and Financial Statements for the year ended 31 March 2021

Registered Office

The Basingstoke and Alton Cardiac Rehabilitation Charity Limited
Cardiac Rehab Centre
Chawton Park Road
Alton
Hampshire
GU34 1RQ

Registered Company Number

2732756 (England and Wales)

Registered Charity Number

1013238

Patron

Sir James Scott Bt

Directors and Trustees

Dr Hugh J N Bethell
Mr Hugh C Bevan - Vice-Chairman
Mr Keith Burgess
Mr Keith Charman - appointed 23rd February 2021
Mr Dominic Gardham - appointed 23rd February 2021
Dr Mike G Hayward - Chairman
Ms Lisa Henshaw
Mr Dominic Kelly - resigned 1st June 2021
Mrs Rosemary A Lewis
Mr Robin Peile - resigned 25th June 2020
Mr Christopher V Roche - appointed 23rd February 2021
Mr Chris J Youngs - resigned 14th December 2020

Company Secretary

Dr Hugh J N Bethell

C.E.O.

Sarah Quarterman

Committees

Governance and Finance Committee

Hugh Bevan - Chair
Dr Mike Hayward
Chris Youngs to 14/12/20
Keith Burgess
Dominic Gardham from 23/02/21
Sarah Quarterman
Lynn Simpson - Secretary

Strategy and Fundraising Committee

Rosemary Lewis - Chair
Hugh Bevan
Lisa Henshaw
Christopher Roche
Sarah Quarterman - Secretary

In Attendance:

Denise Ellis (Community and Events Fundraising)
Claire Kercher (Communications Officer)

Health Programme and Operations Committee:

Dr Hugh Bethell - Chair
Dr Mike Hayward
Rosemary Lewis
Dominic Gardham from 23/02/21
Keith Charman from 23/02/21
Sarah Quarterman - Secretary

In Attendance:

Sally Turner (Health Programme Manager) to 31/05/21
Sarah Hill (Health Programme Manager) from 19/04/21
Denise Ellis (Centre Manager)
Claire Kercher (Communications Officer)
Lynn Simpson (Finance Officer)

Annual Report and Financial Statements for the year ended 31 March 2021

Advisers

Independent examiner and accountants

D A Sanders BA (Hons) FCA
Sheen Stickland
Chartered Accountants
4 High Street
Alton
Hampshire
GU34 1BU

Bankers

HSBC
74 High Street
Alton
Hampshire
GU34 1EZ

Solicitors

Bookers and Bolton
6 High Street
Alton
Hampshire
GU34 1BT

Human Resources and Health and Safety consultants

Ellis Whittam Limited
Woodhouse
Aldford
Cheshire
CH3 6JD

Annual Report and Financial Statements for the year ended 31 March 2021

Chairman’s Statement

Cardiac Rehab exists to improve the heart health of our beneficiaries and the fact we achieve this is borne out by the statistics as shown in this report. We have coped amazingly well in a torrid COVID pandemic year both in adapting how we deliver our classes and managing our cash to ensure we can retain our staff, continue to deliver public benefit and remain a going concern.

In this 25th year since the Cardiac Rehab Centre was opened, we are now running an appeal to raise funds to refurbish the building, ensure we are well placed for the future and can continue to improve the heart health of hundreds more beneficiaries well into the future.

Our Mission

To improve significantly the quality of life of people with cardiac conditions or risk of heart disease in our community through affordable, accessible and inspiring cardiac exercise programmes, information, guidance and support.

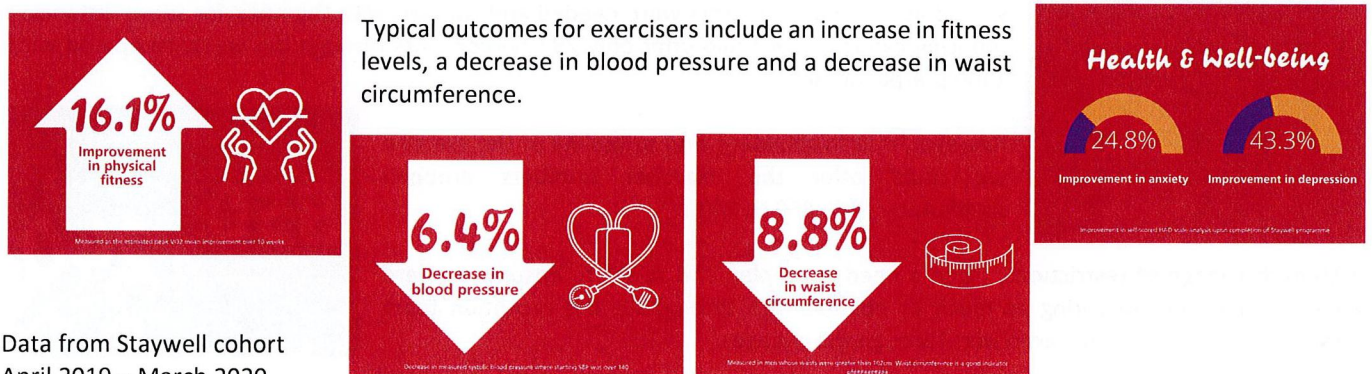
What we do

Cardiac Rehab provides high quality rehabilitation and education for patients recovering from, or at risk of, cardiac illnesses at the purpose-built Centre in Alton. We run two main programmes – Cardiac Rehabilitation for patients post operatively who have had a heart attack or intervention and Staywell, a primary prevention programme. The Charity also provides facilities, free of charge, for Hampshire Hospitals NHS Foundation Trust (HHFT) Cardiology Department to run its post-operative outpatient cardiac rehabilitation and associated doctors’ clinics.

Patients are referred to the Cardiac Rehabilitation programme from a hospital-led post-operative cardiology team. When joining the Centre, we take a medical history, and they are assessed for their fitness and other risk factors before being assigned to a class based on fitness level or have an individual programme of Independent exercise at the Centre.



The Staywell primary prevention programme aims to help at high risk (QRISK>15) of coronary heart disease to increase fitness and reduce risk factors for heart disease, through exercise. Patients are invited to join the scheme by their GP and we work closely with the A31 Primary Care Network and other GP surgeries. New referrals to Staywell are assessed either by Dr Bethell, who undertakes a Treadmill test for referrals with a previous history of cardiac or cardiovascular disease, or by the Health Programme team. After 20 sessions at either a class or completing an Independent exercise programme, exercisers are re-tested and fitness levels calculated.



The Centre is normally open for a range of exercise sessions between 8:00am – 8:00pm Monday to Thursday, 7:45am – 5:30pm Friday and 8:00am – 11:30am on Saturdays. We also run Steady & Strong falls prevention classes for frailer exercisers and host a lower level Steady & Strong class run by the Alton Community Hospital Physiotherapy department.

Annual Report and Financial Statements for the year ended 31 March 2021

Achievements and Performance for the Year

Charitable activities

In October 2019, the Board agree the following objectives:

- To have in place a sustainable funding model to match expenditure by March 2022.
- Building capacity to increase service user sessions by 10% of current numbers year on year to March 2023.
- Through deeper partnerships with GPs and healthcare providers, grow referrals to 400 per annum by March 2023.
- To grow the number of active exercisers per year by 10% year on year to March 2023

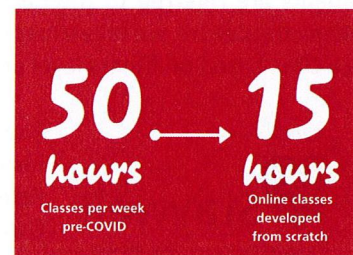
An ambitious budget and business plan were put in place to address these objectives from the beginning of 2020, but all plans were shelved with the onset of the COVID pandemic. The Centre was closed during each of the 3 lockdowns and required an entire shift of operations online, including exercise, booking, payment processing and management.



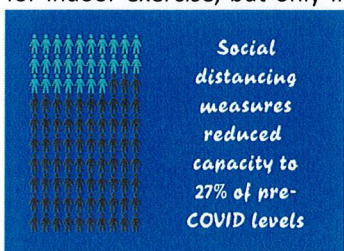
With the first lockdown, our Health Programme Team produced a series of exercise films and a booklet, sent out to all current exercisers, and then supported exercisers remotely, telephoning the entire cohort of 870 on a weekly or fortnightly basis to keep them motivated and able to exercise in the home in a safe way.

The films were incredibly successful and continue to be used today despite other options being available. They were also a key part of NHS Phase 3 provision when no face-to-face work was possible.

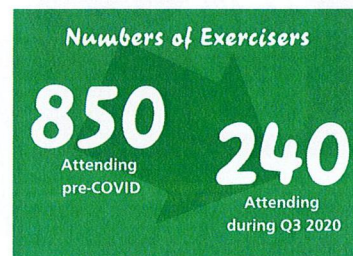
Our exercisers are in the demographic and with underlying health conditions a high risk-factor for COVID which has meant at each stage of restrictions changing, the approach was steady and measured. Many were shielding throughout 2020. Once it was clear lockdown was continuing for some time, the team moved to develop Online classes using Zoom. As lockdown eased and we were allowed to congregate outdoors, we offered Outdoor Classes on the sports field in addition to Online.



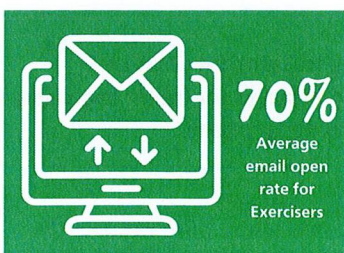
At the end of the first lockdown, with much planning and rearrangement of the building and exercise machines, we re-opened for indoor exercise, but only Independent-style in order to maintain social distancing. To maintain safe supervision whilst spread apart, two instructors were needed and coupled with the need for social distancing reducing capacity, we could offer only 292 session slots through the week, compared with 1100 pre-pandemic.



However, due to shielding, and suitability of the exercise we could offer the exerciser numbers dropped significantly from 850 to 240.



With each change of restrictions, came a need to re-plan and re-set to ensure we were working safely but delivering as much as possible and throughout the reception team worked tirelessly to support exercisers through the changes.



Throughout the year, the charity provided increased office space for the HHFT cardiac rehabilitation team working with patients post-operatively, to relieve pressure on the Basingstoke hospital. No face-to-face rehabilitation was provided by HHFT last year and we received no referrals. We were also unable to take any new Staywell referrals from GPs during the year due to COVID restrictions.

As part of our remote support and as changes were made during the year, we kept in touch regularly with exercisers through an e-news, with an impressive open rate.

Overall, the story of 2020 has been one of dedication from the team to the exercisers in their care, innovation to develop new formats, and evolution to ensure continuous improvement.

Annual Report and Financial Statements for the year ended 31 March 2021

Financial management and Business continuity

When the COVID pandemic began, the CEO, Finance Officer and 3 Trustees held weekly Business Continuity meetings to assess the impact of reducing exerciser numbers, Centre closure and staffing issues, known as the CROBR (Cardiac Rehab Office Briefing) meeting. Cashflow was carefully monitored, and the charity took advantage of the Bounce Back Business Loan during the year. The CROBR meeting agreed to most of the staff being furloughed during the first lockdown and subsequently took advantage of flexible furlough for most staff for the remainder of the year.

As a provider of exercise facilities, the charity benefitted from several Government COVID grants administered via the District Council and made a claim against our insurer for Business Interruption Insurance in March 2020. Two settlement payments were eventually received for the initial lockdown and the subsequent restricted access.

Costs were well controlled. Since remote exerciser support was being provided during the first lockdown, the charity continued to pay our freelance exercise instructors and elected to top up to 100% the salaries of furloughed employees because the Trustees felt that it was important to retain staff expertise and loyalty. Key personnel were able to work from home during lockdown and lines of communication with staff and Trustees were maintained throughout.

Fundraising

Support from the charity's exercisers and supporters throughout the year was superb and the Trustees would like to record their heartfelt thanks to all those who have made donations or completed challenges to fundraise for Cardiac Rehab and to the staff and instructors for their efforts on behalf of the charity during 2020-2021.

Our usual financial operating model is to finance 40-45% of costs by exerciser contributions (£5 per session) with the rest fundraised from diverse sources including grants, individual and corporate donations, events, challenges, community fundraising, room hire and legacies. With no face-to-face events possible we had to innovate and look to online.

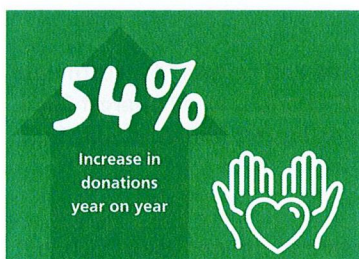


We took up the 2.6 Challenge in April 2020, which was launched as a national campaign in response to the cancellation of the London Marathon. Our first major online challenge, we raised an amazing £15,000 through staff and exercisers alike taking part.

An open garden day at Rotherfield Park was converted to a virtual visit on film supported and introduced by our Patron, Sir James Scott, and this raised £3,300.

In the autumn/winter we ran a series of Winter Webinars over 6 months, and an online bridge tournament which raised £6,000.

The level of support from the exercisers and regular donors was substantial throughout the year. Regular giving rose from £8,000 to £12,000 in the year whilst overall individual donations grew an amazing 54%.



Moving to an online world clearly did not put off our donors and exercisers. Web donations grew 1123% year on year and exercisers were happy to pay for their Outdoor and Online session via our webshop. Our lottery sales held up well and once again took part in the Big Give Christmas Challenge, raising a creditable £11,700.



We were very grateful to be the recipients of legacies from Mrs Iris Brixton, Mrs Ann Denne, Mrs Doreen Norgrove and Mr Alan Tremeer and are particularly grateful to those families who have requested donations to the Charity in memory of loved ones.

In November 2020 we launched a 25th Anniversary Appeal to raise £239,000 to refurbish the Cardiac Rehab Centre, opened 25 years ago in 1997, and secure the future of our services for the next 25 years. Funds raised will be used partly for capital works on the building and partly to invest in our service delivery and IT to improve efficiency and effectiveness of our operations.

We are especially grateful to our Appeal Vice-Patrons for their input and support.

Annual Report and Financial Statements for the year ended 31 March 2021

Volunteers

During the pandemic, we were unable to allow general volunteering, but Dr Hugh Bethell, Clinical Director and Trustee, provided treadmill testing for returning cardiac exercisers who had not exercised with us since the start of the pandemic. Total volunteering hours amounted to 387 hours (2020: 1,730 hours, including other office volunteers).

Financial Results for the Year

The results for the year are set out in the Statement of Financial Activities on page 12.

The net incoming resources for the year were £109,296 [2020: outgoing £3,759], largely as a result of furlough support, COVID grants, a successful Business Interruption insurance claim, an unusual number of legacies, the fundraising success mentioned above and successful cost control.

Income in the year was £448,430, an increase of £79,821 over the previous year. Also included in the income is the sum of £7,650 [2020: £28,160], being the value of cardiologist services provided by Dr Hugh Bethell during the year and £500 [2020: £500] for the servicing of the Centre's treadmill by the NHS, both provided pro bono. Legal services provided pro bono by Macfarlanes LLP in respect of the new lease and the Alton Sports Centre development were valued at £8,358 in the year [2020: £9,257, total over four years: £44,495]

Expenditure decreased by £33,234 to £339,134 compared to the previous year, mainly due to reduced costs of operating during the pandemic.

Restricted funds of £78,933 [2020: £51,804] were received during the year with expenditure incurred on developing a new Exerciser Database; funding towards the Staywell Programme; new IT equipment; staff training; services provided in kind; and the gym equipment service contract; totalling £61,362 [2020: £47,499]. £10,302 was spent from the restricted funds on capital assets.

The market value of investments increased by £52,702 over the year [2020: decrease of £267].

Performance of subsidiary company

The Basingstoke and Alton Cardiac Rehabilitation Enterprises Limited remained dormant throughout the year.

Reserves Policy

The Reserves Policy is reviewed annually, examining the requirements for free, unrestricted cash reserves. The Policy is to hold six months' operating costs in reserve. In November 2020, the charity launched a 25th Anniversary Appeal partly for capital funds to refurbish the Centre, now 25 years old. Funds have been designated for capital refurbishment of the Centre building and to fund in future the cardiology services provided gratis by Dr Bethell. In addition, it is expected that funds will be required to cover a significant deficit due to reduction in exerciser fees and fundraised income this year. As at 31 March 2021 the Charity had approximately £127,255 in non-designated free cash reserves, providing significant flexibility to cover working capital requirements.

Investment Policy and Objectives

Trustees review annually the Investment policy under which the Charity's long-term unrestricted and restricted investments are managed by CCLA Management Limited and held in COIF Charities Investment Fund and COIF Charities Fixed Interest Fund. The Trustees' policy is to achieve, over the long term, an increase in the fund's capital value, in real terms (inflation adjusted).

Events since the end of the year

In April the 3rd Lockdown ended, and we re-opened once more, offering a similar range of exercise options as in 2020, but managing to bring back an increased number of exercisers as a result of the COVID vaccination programme increasing confidence in exercisers. We also began to receive NHS referrals once again. Since July, we have re-introduced Class-style exercise alongside 'Independent' programmes. We are contacting all exercisers who have not been back since March 2020, but it is inevitable that many will not return due to further ill health or lack of will to resume exercise.

Future Plans

Whilst the overall outturn for the year is very positive financially, the forecast for the year 2021-2022 is for a deficit of an equivalent magnitude due to the number of current exercisers being around 470 compared with 850 in March 2020. There will be no substantive COVID support this year, nor insurance claims since any COVID cover was removed at renewal.

Annual Report and Financial Statements for the year ended 31 March 2021

The Cardiac Rehab team will continue to focus on the business plan aims and objectives flowing from the Strategy agreed by the Trustees in October 2019, albeit modified in the light of the COVID pandemic. This will include:

- re-building the number of exercisers to the numbers pre-pandemic working with GPs to seek referrals for both Staywell and also Phase 4 for patients who received no face-to-face rehabilitation after a heart attack or cardiac intervention in 2020
- launching a long COVID rehabilitation programme
- exploring new options for online fundraising, building on experiences of online events, challenges and campaigns gained during 2020 lockdown, whilst continuing to run events where possible
- continued fundraising towards the 25th Anniversary Appeal
- close attention to financial management to reduce the forecasted deficit

The Charity's strategy, reserves, quality of leadership and staff team endorses the Trustees' assessment that there are no significant doubts of the Charity's ability to continue as a going concern.

The Trustees present their annual report and the unaudited financial statements for the year ended 31 March 2021 under the Charities Act 1993, as amended by the Charities Act 2006 and the Charities Act 2011; and the Companies Act 2016 and confirm that the unaudited financial statements comply with the requirements of those Acts and the Charities SORP 2015 FRS 102 S1A. The information on Trustees, officers and advisers on pages 2 and 3 forms part of the Trustees' Annual Report.

Governance and Management

The Basingstoke and Alton Cardiac Rehabilitation Charity Limited (Cardiac Rehab) is a company limited by guarantee and a registered charity.

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The Articles of Association of the Charitable Company were amended by Special Resolutions dated 13th May 2020 and 4th December 2020 primarily to reflect modern methods of communication.

Under the Articles of Association only members of the Company, other than the CEO, shall be appointed to the Board of Management (Trustees) of the Charity. The Trustees, acting as directors of the Company, are responsible for the accounts and the Company has charitable status for taxation purposes.

Board of Trustees

The Trustees who served during the year are given on page 2.

Recruitment and Training of Trustees

The Board undertakes a skills audit annually and a nominations sub-committee draws up a shortlist of skills and experiences that would strengthen the performance of the Board and are in accordance with the Charity's Articles of Association. Roles are advertised internally to beneficiaries and externally, to encourage applications. Weight is also given to specific experiences and qualifications of any retiring trustees, to ensure continuity of representation of a broad skillset on the Board and connections locally and regionally. Applicants are interviewed before recommendation for appointment at a Board meeting.

A formal induction is arranged for all new trustees to ensure that they are familiar with the Charity, the way in which it operates, and the current issues which face Trustees and Management. This includes attending all Board sub-committees and visits to see exercise instruction in action and meet staff. Trustees are also encouraged to attend external training where appropriate.

Organisational Management

The Charity Trustees are legally responsible for the governance and overall direction of the Charity and delegate the day-to-day management to the CEO. The Board meets four times a year. The Charity has adopted a Governance Framework setting out the Charity's governance arrangements and the delegation of responsibilities and authorities. Detailed monitoring is carried out by three committees: the Governance and Finance Committee (GFC); the Strategy and Funding Committee (SFC); and the Health Performance and Operations Committee (HPOC). The Chair of Trustees attends each of the committees. The main responsibilities of each committee are:

Annual Report and Financial Statements for the year ended 31 March 2021

Governance and Finance Committee: to ensure compliance with the Charity's Memorandum and Articles of Association and all relevant legislation, and to oversee the financial affairs of the Charity, including the development of and compliance with appropriate policies; monitoring and review of the Charity's advisers and service providers; discharging the Trustees' statutory duties in relation to the provision of information; governance; and any external audit requirements.

Strategy and Fundraising Committee: to develop, implement and monitor the Charity's strategy to achieve its objects and fundraising to support that strategy, and to make recommendations to the Board accordingly.

Health Performance and Operations Committee: to oversee operational management including the provision of fitness assessments and exercise programmes and the collaboration with the NHS Team from HHFT based at the Centre.

Risk Management

The Board is responsible for risk management. The CEO maintains a Risk Register covering operations, health and safety, financial borrowing, charitable status, disaster planning and governance and management; mitigations are regularly reviewed, and management of risk is a routine part of all Charity activities. Mitigation action plans are reviewed at the quarterly meetings of the Board committees and a formal review of the Risk Register is conducted annually by Trustees. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

The key controls used by the Charity include:

- formal agendas for all Committee and Board activity;
- detailed terms of reference for all Committees;
- comprehensive strategic planning, budgeting and management accounting;
- established organisational structure and lines of reporting;
- formal written policies including appropriate Health & Safety Policies in place and actively applied by staff.
- clear authorisation and approval levels.

Objectives and Activities

Charitable Objectives

The objectives, for which the Charity is established, are:

- a) The relief of persons suffering from or at risk of heart and coronary illness and other illnesses and medical conditions for which supervised exercise provides rehabilitation or effective intervention by the provision and maintenance of a Cardiac Rehabilitation Unit and other relevant services.
- b) The education and assistance of such persons so to develop their understanding of the nature of actual and potential medical conditions particularly heart disease; education in how to avoid the onset or recurrence thereof, and the role of diet, exercise and lifestyle choices so that their conditions of life may be improved.
- c) The promotion of research into the causes and treatment of heart and coronary illness and other medical conditions, and the publication of the useful results of such research.
- d) The promotion of changes to lifestyles that help to achieve healthier living.

Accounting policies adopted in achieving these objectives are as set out in note 2 to these financial statements. There have been no material changes in these policies.

Significant activities

The principal activities of the Charity continue to be the pursuit of the four objectives laid out above, making use of the Charity's purpose-built centre on a site leased from East Hampshire District Council adjoining Alton Sports Centre.

Statement on Public Benefit

The Trustees have complied with their duty in section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission.

It is well accepted that the use of exercise and health education is effective for both cardiac rehabilitation and the primary prevention of heart disease. Both are encouraged by the NHS to meet the national public health agenda. In the Charity's locality there is no public-sector provision, or funding, similar to the service offered by the Charity. Accordingly, the Trustees are clear that the Charity's services are provided for the public benefit.

Annual Report and Financial Statements for the year ended 31 March 2021

The services that the Charity provides to individuals suffering from, or at risk of, heart and coronary illness and are available to all who wish to use them, provided that (a) they are referred to the Charity by a doctor or other health professional as meeting the appropriate medical health or condition criteria; and (b) they are aged 18 years or more (as dealing with such health conditions in minors requires more specialist facilities and expertise than the Charity possesses). Exercisers pay a contribution towards the cost of these services but 55% of the cost must be covered by fundraising. A reduced contribution or free usage is offer for those on benefits, and in cases of exceptional economic hardship.

Exercisers are referred to us (and accepted by us) strictly according to medical need. Accordingly, the Trustees are confident that our services do not discriminate in terms of adult age, gender, ethnicity, disability or sexual orientation. Our exercisers are, however, self-selecting in that it is their choice as to whether our services, and, in particular, our gym-based exercise, are attractive to them. Exercisers cannot be referred to us without their consent. Exercisers may be accompanied by a friend or relative to support them; such individuals are screened appropriately prior to joining any exercise sessions.

Statement of Trustees' Responsibilities

The Trustees, who are also the directors of Basingstoke and Alton Cardiac Rehabilitation Charity Limited for the purposes of company law, are responsible for preparing the Trustees' 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 elected to prepare the charitable company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 affairs of the charitable Company and of the incoming resources and application of resources, including the income and expenditure, 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 SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable Company will continue in operation.

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 enable them to ensure that the financial statements comply with the Charities Act 2011 and the Companies Act 2016. They are also responsible for safeguarding the assets of the charitable Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Examination

D A Sanders of Sheen Stickland was appointed as Independent Examiner to the charitable Company in June 2010 and has been re-appointed each year following by resolution at the AGM in December.

In so far as the Trustees are aware:

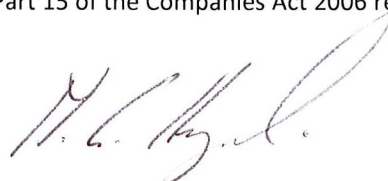
- there is no relevant financial information of which the charitable Company's Independent Examiner are unaware; and
- the Trustees have taken all the steps that they ought to have taken in order to make themselves aware of any relevant financial information and to establish that the charitable Company's Independent Examiner is aware of that information.

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.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the Board on 2nd September 2021 and signed on its behalf by:

Dr Mike Hayward, Chairman



Annual Report and Financial Statements for the year ended 31 March 2021

Report of the Independent Examiner

I report to the Charity trustees on my examination of the financial statements of The Basingstoke and Alton Cardiac Rehabilitation Charity Limited for the year ended 31 March 2021 set out on pages 12 to 26.

Responsibilities and basis of report

As the Charity's Trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your Charity's accounts as carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent Examiner's statement

Since the Company's gross income exceeded £250,000, your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records, or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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

Signed:



D A Sanders BA (Hons) FCA
The Institute of Chartered Accountants in England and Wales
Sheen Stickland
Chartered Accountants
Alton, Hampshire
GU34 1BU

Date:

20 October 2021

Annual Report and Financial Statements for the year ended 31 March 2021

Statement of Financial Activities

	Note	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Income and Endowments from:					
Charitable activities					
Provision of exercise facilities	3	135,021	37,012	172,033	139,636
Trading and fundraising	4	73,683	1,000	74,683	102,220
Donations and legacies	5	160,769	40,921	201,690	126,689
Investment income	6	24	-	24	64
Total Income		<u>369,497</u>	<u>78,933</u>	<u>448,430</u>	<u>368,609</u>
Expenditure on:					
Charitable activities					
Cost of raising funds	7	56,603	4,474	61,077	55,076
Provision of exercise facilities	7	<u>221,169</u>	<u>56,888</u>	<u>278,057</u>	<u>317,292</u>
Total Expenditure		<u>277,772</u>	<u>61,362</u>	<u>339,134</u>	<u>372,368</u>
Net income/(expenditure) for the year		91,725	17,571	109,296	(3,759)
Net gains/(losses) on investments		52,702	-	52,702	(267)
Transfer between Funds		(131)	131	-	-
Net movement in funds for the year		144,296	17,702	161,998	(4,026)
Reconciliation of Funds:					
Total Funds brought forward		<u>674,962</u>	<u>17,638</u>	<u>692,600</u>	<u>696,626</u>
Total Funds carried forward		<u>819,258</u>	<u>35,340</u>	<u>854,598</u>	<u>692,600</u>

All activities are classed as continuing.

The notes on pages 15 to 26 form part of these financial statements.

Annual Report and Financial Statements for the year ended 31 March 2021

Balance Sheet as at 31 March 2021

	Note	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Fixed Assets					
Tangible fixed assets	9	331,994	18,789	350,783	357,403
Intangible fixed assets	9	210	4,091	4,301	4,790
Investments	10	<u>325,163</u>	—	<u>325,163</u>	<u>272,461</u>
		<u>657,367</u>	<u>22,880</u>	<u>680,247</u>	<u>634,654</u>
Current Assets					
Stocks	11	1,336	—	1,336	1,775
Debtors: amounts due within one year	12	33,299	—	33,299	32,252
Cash at bank and in hand		<u>220,211</u>	<u>12,460</u>	<u>232,671</u>	<u>59,551</u>
		254,846	12,460	267,306	93,578
Creditors: amounts falling due within one year	13	<u>(92,955)</u>	—	<u>(92,955)</u>	<u>(35,632)</u>
Net Current Assets		<u>161,891</u>	<u>12,460</u>	<u>174,351</u>	<u>57,946</u>
Total Assets less Current Liabilities		819,258	35,340	854,598	692,600
Net Assets		<u>819,258</u>	<u>35,340</u>	<u>854,598</u>	<u>692,600</u>
Funds					
Restricted funds	14			35,340	17,638
Unrestricted funds	14			<u>819,258</u>	<u>674,962</u>
Total Funds				<u>854,598</u>	<u>692,600</u>

The notes on pages 15 to 26 form part of these financial statements.

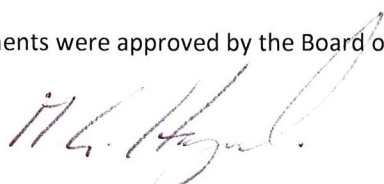
The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2021 and the members have not required the charitable company to obtain an audit of its financial statements in accordance with Section 476 of the Companies Act 2006.

The Trustees acknowledge their responsibility for:

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006; and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to charitable small companies.

These financial statements were approved by the Board of Trustees on 2nd September 2021 and signed on its behalf by:



Dr Mike Hayward, Chairman of Trustees:

Annual Report and Financial Statements for the year ended 31 March 2021

Cash Flow Statement for year ended 31 March 2021

	Table	2021 £	2020 £
Cash generated from operating activities:			
Net cash provided by (used in) operating activities	1	133,398	314
Cash flows from investing activities:			
Cash flows from other sources:			
Bank interest received		24	64
HSBC Bounce Back Loan		50,000	-
Proceeds from sale of Investment		25,000	-
Application of cash:			
Payment for tangible fixed assets		(9,312)	(7,760)
Payment for intangible fixed assets		(990)	(1,302)
Payment for investments		(25,000)	(50,000)
Net cash provided by (used in) investing activities		39,722	(58,998)
Cash flows from financing activities:			
Movement in intercompany balance		-	-
Net increase/(decrease) in cash:		173,120	(58,684)
Cash at bank and in hand at 1 April 2020		59,551	118,235
Cash at bank and in hand at 31 March 2021		232,671	59,551

Table 1:

Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2021 £	2020 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	161,998	(4,026)
Change in market value of investments	(52,702)	267
Depreciation charges	17,411	16,634
Interest received	(24)	(64)
Loss/(profit) on the sale of tangible fixed assets	-	-
(Increase)/decrease in stocks	439	(37)
Decrease/(increase) in debtors	(1,047)	(23,923)
Increase in creditors	7,323	11,463
Net cash provided by / (used in) operating activities	133,398	314

The notes on pages 15 to 25 form part of these financial statements.

Annual Report and Financial Statements for the year ended 31 March 2021

Notes to the Financial Statements for the year ended 31 March 2021

1 Statement of Compliance

The Basingstoke and Alton Cardiac Rehabilitation Charity Limited is a charity, limited by guarantee, incorporated in England, company registration number 2732756, and charity number 1013238. The registered office is Cardiac Rehab Centre, Chawton Park Road, Alton, Hampshire GU34 1RQ.

The financial statements are presented in sterling which is the functional currency of the charity and are rounded to the nearest pound.

The financial statements have been prepared in compliance with FRS 102 as it applied to the financial statements for the year ended 31 March 2021.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

2 Accounting policies

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 United Kingdom and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Reporting Standard applicable in the United Kingdom and Republic of Ireland' and the Companies Act 2006.

Basis of accounting

The financial statements are prepared in accordance with the historical cost convention, with the exception of certain investments which are included at market value.

The trustees consider on the basis of information available to them, including the impact of Covid-19, that the charitable company has adequate resources to continue in operational existence for the foreseeable future and for this reason the trustees continue to adopt the going concern basis in preparing the financial statements.

In the opinion of the Board of Trustees, the charity and its subsidiary undertaking comprise a small group. Accordingly, the charity has taken advantage of the exemption provided by Section 398 of the Companies Act 2006 not to prepare group accounts. These financial statements present information about the charity as an individual undertaking.

Resources arising - income

All income is recognised in the Statement of Financial Activities when the conditions for receipt have been met and there is reasonable assurance of receipt. Where a claim for repayment of income tax has been or will be made, such income is grossed up for the tax recoverable. The following accounting policies are applied to income:

a) **Class fees and other activities**

Fees receivable and charges for use of premises are accounted for in the period in which the service is provided.

b) **Investment income**

Investment income is accounted for when received.

c) **Donations**

Donations and all other receipts from fund-raising are reported gross and the related fund-raising costs are reported in expenditure. Donations receivable for the general purposes of the charity are credited to Unrestricted Funds. Donations for purposes restricted by the wishes of the donor are taken to Restricted Funds where these wishes are legally binding on the Trustees of the charity.

Annual Report and Financial Statements for the year ended 31 March 2021

2 Accounting policies (continued)

Resources expended

Expenditure is accounted for on an accruals basis and is allocated to expense headings on a direct cost basis. The irrecoverable element of VAT is included with the item of expense to which it relates. Liabilities are recognised when an obligation arises to transfer economic benefit due to past transactions or events.

Costs of generating funds

Costs of generating funds comprise the cost of fundraising. Expenditure is accounted for on an accruals basis.

Direct charitable expenditure

Direct charitable expenditure includes all expenditure directly related to the objects of the Charity and is accounted for on an accruals basis.

Support costs

Support costs, which are not attributable to a single activity, are apportioned between fundraising and charitable activities based on direct expenditure incurred on those activities.

Fund accounting

The Charity maintains various types of funds as follows:

a) Restricted Funds

Restricted funds represent grants, donations and legacies received which are given by the donor for specific purposes within the objects of the charity. Income on these investments is also restricted by the donor.

b) Unrestricted Funds

Designated funds comprise amounts set aside by the Trustees for specific purposes.

General unrestricted funds represent funds which are expendable at the discretion of the Trustees in the furtherance of the objects of the charity. Such funds may be held to finance both working capital and capital investment.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation which is provided in equal annual instalments over the estimated useful lives of the assets. Individual assets over a cost of £500 are capitalised; this was increased from £100 from April 2016. Properties are maintained throughout the year and an impairment review is carried out on an annual basis.

The rates of depreciation applied to assets are as follows:

Leasehold property	-	2% on cost
Fitness equipment	-	20% on cost
Office and computer equipment and furniture	-	20% on cost

Intangible fixed assets

Intangible fixed assets are stated at cost less depreciation which is provided in equal annual instalments over the estimated useful lives of the assets. Individual assets over a cost of £500 are capitalised.

The rates of depreciation applied to assets are as follows:

Computer software	-	20% on cost
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Annual Report and Financial Statements for the year ended 31 March 2021

2 Accounting policies (continued)

Investments

Investments in subsidiary undertakings are stated at cost. Other investments are stated at market value, with revaluation adjustments being taken to the income and expenditure account.

Stocks

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

Taxation

The Charity is exempt from corporation tax on its charitable activities.

Pension costs and other post-retirement benefits

The Charity operates a defined contribution pension scheme in the UK on behalf of the employees of the charitable company. The amount charged to the SOFA represents the contributions payable in the year. Pension expenses are allocated from unrestricted funds.

Donated assets and services

Donated assets and services are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the item by the charity is probable and that economic benefit can be measured reliably.

On receipt, donated assets and services are recognised based on the value of the gift or service to the Charity, which is the amount the Charity would have been willing to pay to obtain the equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Where the value of donated assets and services cannot be reliably estimated, then no such adjustment is made.

Financial Instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement date.

3 Income from Charitable Activities

	<u>2021</u>	<u>2020</u>
	£	£
Exercise classes	29,781	122,440
Course fees	-	450
Room hire	1,178	14,955
Income from HM Government re COVID (grants)	41,329	-
Insurance Claim re COVID	62,732	-
Other income	<u>1</u>	<u>60</u>
Unrestricted income	135,021	137,905
Restricted income: HM Government re COVID (furlough)	<u>37,012</u>	<u>1,731</u>
Total income from charitable activities	<u>172,033</u>	<u>139,636</u>

4 Other ancillary activities

	<u>2021</u>	<u>2020</u>
	£	£
Event takings	30,058	52,512
Grand draws	20,845	17,420
Sales	4,856	6,681
100 Club donations	4,259	5,077
Flag days and collection tins	104	3,837
Lottery	<u>13,561</u>	<u>14,787</u>
Unrestricted income	73,683	100,314
Restricted income: Events takings	<u>1,000</u>	<u>1,906</u>
Total income from other ancillary activities	<u>74,683</u>	<u>102,220</u>

Annual Report and Financial Statements for the year ended 31 March 2021

5 Donations and Legacies	<u>2021</u>	<u>2020</u>
	£	£
Regular giving	11,238	7,483
Donations and gifts	53,803	35,369
Legacies	50,939	13,000
In memoriam	4,909	6,170
Trusts and Foundations	<u>39,880</u>	<u>16,500</u>
Unrestricted income	<u>160,769</u>	<u>78,522</u>
Restricted income – regular giving	960	1,200
Restricted income – services provided in kind	16,508	37,917
Restricted income – Statutory grants	1,550	4,050
Restricted income – Trusts and Foundations	<u>21,903</u>	<u>5,000</u>
Restricted income	<u>40,921</u>	<u>48,167</u>
Total income from donations and legacies	<u>201,690</u>	<u>126,689</u>
6 Investment income	<u>2021</u>	<u>2020</u>
	£	£
Bank interest receivable	<u>24</u>	<u>64</u>
	<u>24</u>	<u>64</u>
7 Expenditure		
Costs of generating funds	<u>2021</u>	<u>2020</u>
	£	£
Staff costs	32,381	34,849
Complete Fundraising costs	10,771	-
Publicity and marketing	3,953	2,836
Events expenses	6,170	13,389
Merchandise purchases	2,126	2,578
Support costs	<u>1,202</u>	<u>1,214</u>
Unrestricted	56,603	54,866
Restricted: Staff costs	<u>4,474</u>	<u>210</u>
Total costs of generating funds	<u>61,077</u>	<u>55,076</u>

Annual Report and Financial Statements for the year ended 31 March 2021

7 Expenditure (continued)	2021	2020
Costs of charitable activities	£	£
Provision of exercise facilities:		
Staff costs	108,941	132,823
Rent, rates and water	258	3,694
Insurance	3,955	3,312
Light and heat	4,184	6,632
Telephone	2,474	2,685
Postage, stationery and printing	3,609	6,340
Sundries	-	44
Cleaning	4,168	7,292
Repairs and maintenance	6,967	7,788
Health and safety	1,909	62
Subscriptions	978	680
Travel expenses	42	523
Staff recruitment	342	275
Bank charges	993	1,676
Staff refreshments	29	1,062
Staff uniforms	126	-
Training	762	296
Physical training instructors	51,985	62,544
Health programme expenses	895	627
Course expenses	-	346
IT costs	11,796	12,291
Depreciation	11,448	12,220
Loss on disposal of tangible assets	-	-
Support costs	<u>5,308</u>	<u>6,791</u>
Unrestricted expenditure	<u>221,169</u>	<u>270,003</u>
Restricted expenditure		
Salaries: Administration	26,923	1,340
Salaries: Health Programme	5,616	182
Cardiologist fees	7,650	28,160
Staff training	900	828
Gym equipment maintenance	1,478	2,348
IT	-	759
Depreciation on Restricted Assets	5,963	4,415
Support costs – services provided in kind	<u>8,358</u>	<u>9,257</u>
Restricted expenditure	<u>56,888</u>	<u>47,289</u>
Total costs of charitable expenditure	<u>278,057</u>	<u>317,292</u>

Annual Report and Financial Statements for the year ended 31 March 2021

Notes to the Financial Statements
for the year ended 31 March 2021

7 Expenditure (continued)

	<u>2021</u>	<u>2020</u>
	£	£
Support costs		
Support costs of generating voluntary income	1,202	1,214
Support costs of charitable activities	<u>13,666</u>	<u>16,048</u>
	<u>14,868</u>	<u>17,262</u>
Governance costs included in Support costs	2,066	2,646
Net incoming/(outgoing) resources for the year is stated after charging:		
	<u>2021</u>	<u>2020</u>
	£	£
Depreciation – owned assets	17,411	16,635
Independent Examiner’s fee	2,040	2,620

Restricted income received during the year was used to purchase tangible fixed assets of £9,312 [2020: £7,760] and intangible assets of £990 [2020: £1,302].

8 Employee information

	<u>2021</u>	<u>2020</u>
	£	£
Total staff costs comprise:		
Wages and salaries	169,201	160,361
Social security costs	5,625	5,981
Pension contributions	<u>3,509</u>	<u>3,063</u>
	<u>178,335</u>	<u>169,405</u>
Cost of generating funds: staff costs	36,855	35,060
Cost of charitable activities: staff costs	<u>141,480</u>	<u>134,345</u>
Total staff costs	<u>178,335</u>	<u>169,40</u>

The average number of employees in the year was: 14 [2020: 15], full time equivalents 6 [2020: 6] and the number of employees at the end of the year was 14 [2020: 15].

No member of staff was paid more than £60,000 per annum (2020: nil).

Neither the Trustees of The Basingstoke and Alton Cardiac Rehabilitation Charity Limited nor persons connected with them received any remuneration or other benefits from the Charity. Expenses for trustee training totalling £282 (2020: £nil) incurred in performing their duties were reimbursed to no (2020: none) Trustee.

Annual Report and Financial Statements for the year ended 31 March 2021

9 Comparatives for the Statement of Financial Activities

	<u>Unrestricted</u> <u>Funds</u> <u>£</u>	<u>Restricted</u> <u>Fund</u> <u>£</u>	<u>Total</u> <u>Funds</u> <u>£</u>
Income and Endowments from:			
Charitable activities			
Provision of exercise facilities	137,905	1,731	139,636
Trading and fundraising	100,314	1,906	102,220
Donations and legacies	78,522	48,167	126,689
Investment income	<u>64</u>	<u>-</u>	<u>64</u>
Total Income	<u>316,805</u>	<u>51,804</u>	<u>368,609</u>
Expenditure on:			
Cost of raising funds	54,866	210	55,076
Charitable activities			
Provision of exercise facilities	<u>270,003</u>	<u>47,289</u>	<u>317,292</u>
Total Expenditure	<u>324,869</u>	<u>47,499</u>	<u>372,368</u>
Net Income/(expenditure) for the year	(8,064)	4,305	(3,759)
Net gains/(losses) on investments	(267)	-	(267)
Net movement in funds for the year	(8,331)	4,305	(4,026)
Reconciliation of funds			
Total Funds brought forward	<u>683,293</u>	<u>13,333</u>	<u>696,626</u>
Total Funds carried forward	<u>674,962</u>	<u>17,638</u>	<u>692,600</u>

10 Fixed Assets

Tangible Fixed Assets

	<u>Leasehold</u> <u>Property</u> <u>£</u>	<u>Fitness</u> <u>equipment</u> <u>£</u>	<u>Office</u> <u>Equipment</u>	<u>Computer</u> <u>Equipment</u> <u>£</u>	<u>Total</u> <u>£</u>
Cost					
At 1 April 2020	458,918	67,471	37,908	17,886	582,183
Transfers	-	-	-	-	-
Additions	-	966	6,408	1,938	9,312
Disposals	<u>-</u>	<u>-</u>	<u>(3,407)</u>	<u>(645)</u>	<u>(4,052)</u>
At 31 March 2021	<u>458,918</u>	<u>68,437</u>	<u>40,909</u>	<u>19,179</u>	<u>587,443</u>
Accumulated depreciation					
At 1 April 2020	120,258	62,563	36,234	5,725	224,780
Transfers	-	-	-	-	-
Charge for the year	9,179	2,410	1,042	3,301	15,932
On disposals	<u>-</u>	<u>-</u>	<u>(3,407)</u>	<u>(645)</u>	<u>(4,052)</u>
At 31 March 2021	<u>129,437</u>	<u>64,973</u>	<u>33,869</u>	<u>8,381</u>	<u>236,660</u>
Net book value					
At 31 March 2021	<u>329,481</u>	<u>3,464</u>	<u>7,040</u>	<u>10,798</u>	<u>350,783</u>
At 31 March 2020	<u>338,660</u>	<u>4,908</u>	<u>1,674</u>	<u>12,161</u>	<u>357,403</u>

Annual Report and Financial Statements for the year ended 31 March 2021

10 Fixed Assets (continued)

Intangible Fixed Assets

	<u>Computer Software</u>	<u>Total</u>
	£	£
Cost		
At 1 April 2020	6,762	6,762
Additions	<u>990</u>	<u>990</u>
At 31 March 2021	<u>7,752</u>	<u>7,752</u>
Accumulated depreciation		
At 1 April 2020	1,971	1,971
Charge for the year	<u>1,480</u>	<u>1,480</u>
At 31 March 2021	<u>3,451</u>	<u>3,451</u>
Net book value		
At 31 March 2021	<u>4,301</u>	<u>4,301</u>
At 31 March 2020	<u>4,790</u>	<u>4,790</u>

11 Investments held as fixed assets

The Charity has a 100% holding of 2 ordinary shares of £1 each in The Basingstoke and Alton Cardiac Rehabilitation Enterprises Limited, a limited company registered in England and Wales.

Quoted investments held in CCLA COIF Charity Investment Fund and CCLA COIF Charity Fixed Interest Fund at 31 March 2021:

	<u>Investment Fund</u>	<u>Fixed Interest Fund</u>	<u>Total</u>	
	<u>2021</u>	<u>2021</u>	<u>2021</u>	<u>2020</u>
	£	£	£	£
Market value at beginning of the year	222,626	49,835	272,461	222,728
Acquisitions at cost	25,000	-	25,000	50,000
Sales at market value	(25,000)	-	(25,000)	-
Net unrealised profit/(loss) on revaluation at end of year	<u>51,879</u>	<u>823</u>	<u>52,702</u>	<u>(267)</u>
Market value at end of year	<u>274,505</u>	<u>50,658</u>	<u>325,163</u>	<u>272,461</u>
Analysis of investments			<u>2021</u>	<u>2020</u>
Investment Fund			<u>Asset</u>	<u>Asset</u>
			<u>allocation</u>	<u>allocation</u>
Overseas equities			67.23%	60.21%
UK equities			9.89%	12.60%
Infrastructure and operating assets			9.12%	9.68%
Cash			4.83%	6.20%
Property			3.90%	5.37%
Contractual and other income			2.68%	3.25%
Private equity and other			2.01%	2.15%
Fixed interest			0.34%	0.54%
Total			100.00%	100.00%

Annual Report and Financial Statements for the year ended 31 March 2021

Investments held as fixed assets (continued)

Fixed Interest Fund	<u>2021</u> Asset allocation	<u>2020</u> Asset allocation
Non-Government Bonds	61.12%	58.11%
Government Bonds	37.78%	40.17%
Cash	1.10%	1.72%
Total	100.00%	100.00%

12 Stocks

	<u>2021</u> £	<u>2020</u> £
Merchandise	<u>1,336</u>	<u>1,775</u>

13 Debtors: amounts falling due within one year

	<u>2021</u> £	<u>2020</u> £
Prepayments and accrued income	33,186	19,947
Other debtors	<u>113</u>	<u>12,305</u>
	<u>33,299</u>	<u>32,252</u>

14 Creditors: amounts falling due within one year

	<u>2021</u> £	<u>2020</u> £
Trade creditors	6,187	9,414
Other taxation and social security	2,375	2,665
HSBC Bounce Back Loan	50,000	-
Other creditors	682	1,335
Accrual and deferred income	<u>33,711</u>	<u>22,218</u>
	<u>92,955</u>	<u>35,632</u>

Under the terms of the Bounce Back Loan agreement, the loan is repayable by monthly instalments commencing 13 months after the date of drawdown of the loan with the final repayment date 72 months after the date of drawdown. No interest is due for the first 12 months after the date of drawdown. As, however, the trustees have made the decision to repay the loan in full before interest becomes due, the entire loan is shown in these accounts as repayable within one year. The loan is guaranteed by the UK Government under the Bounce Back Loan Scheme.

The deferred income creditor as included within accrual and deferred income relates to exercise tokens purchased during the year not yet utilised, the movement is shown below:

	<u>2021</u> £	<u>2020</u> £
Balance at 1 st April 2020	16,132	-
Exercise tokens purchased	36,855	135,451
Exercise tokens utilised	<u>(29,781)</u>	<u>(119,319)</u>
Balance at 31 st March 2021	<u>23,206</u>	<u>16,132</u>

Annual Report and Financial Statements for the year ended 31 March 2021

15 Movement in funds

	At 1 April 2019	Net movement in funds 2020	Transfer between funds 2020	At 31 March 2020	Net movement in funds 2021	Transfer between funds 2021	At 31 March 2021
	£	£	£	£	£	£	£
Unrestricted Funds							
General Fund	141,495	(8,331)	117,977	251,141	144,427	(52,596)	342,972
Designated fund:							
Tangible Fixed Asset fund	347,840	-	(9,179)	338,661	-	(10,873)	327,788
Capital expenditure	50,000	-	5,000	55,000	-	1,178	56,178
Expansion reserve	67,395	-	(67,395)	-	-	-	-
Cardiologist Fund (previously the local impact reserve)	<u>76,563</u>	<u>-</u>	<u>(46,403)</u>	<u>30,160</u>	<u>-</u>	<u>62,160</u>	<u>92,320</u>
	<u>683,293</u>	<u>(8,331)</u>	<u>-</u>	<u>674,962</u>	<u>144,427</u>	<u>(131)</u>	<u>819,258</u>
Restricted Funds							
Restricted funds	<u>13,333</u>	<u>4,305</u>	<u>-</u>	<u>17,638</u>	<u>17,571</u>	<u>131</u>	<u>35,340</u>
	<u>13,333</u>	<u>4,305</u>	<u>-</u>	<u>17,638</u>	<u>17,571</u>	<u>131</u>	<u>35,340</u>
Total Funds	<u>696,626</u>	<u>(4,026)</u>	<u>-</u>	<u>692,600</u>	<u>161,998</u>	<u>-</u>	<u>854,598</u>

The Trustees have reviewed values of the previously designated funds in the light of the expected impact on income this year following the COVID pandemic. Income in 2020-2021 was substantially boosted by generosity of our supporters making donations; government grants and furlough money; and a successful Business interruption claim. However, we also saw a halving in the number of beneficiaries and expect a substantial drop in charitable income in 2021-2022 and so the General Fund has been bolstered to mitigate that risk.

Tangible Fixed Asset fund is the written down value of the Cardiac Rehab Centre building.

Capital expenditure designated fund is a reserve for the purpose of investing in capital assets. This fund is part of the 25th Anniversary Appeal to refurbish the Centre building, and implement a new digital strategy including re-writing the Charity's website and introducing real-time heart-rate monitoring and reporting better to support service delivery and fundraising for the Charity in future years.

The Cardiologist fund is a reserve for funding of a professional with appropriate clinical and medical expertise in the event of the future retirement of Dr Hugh Bethell. This has been bolstered to cover 2 years of predicted costs in the light of expected difficulty in obtaining NHS funding for this post.

Annual Report and Financial Statements for the year ended 31 March 2021

15 Movement in funds (continued)

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

	Incoming resources	Resources expended	Net movement before transfer	Transfer between funds	Net movement in funds
	2020	2020	2020	2020	2020
	£	£	£	£	£
Unrestricted Funds					
General fund	316,805	(325,136)	(8,331)	117,977	109,646
Designated fund:					
Tangible Fixed Asset	-	-	-	(9,179)	(9,179)
Capital expenditure	-	-	-	5,000	5,000
Expansion reserve	-	-	-	(67,395)	(67,395)
Local impact reserve	-	-	-	(46,403)	(46,403)
	<u>316,805</u>	<u>(325,136)</u>	<u>(8,331)</u>	<u>-</u>	<u>(8,331)</u>
Restricted Funds					
Restricted funds	<u>51,804</u>	<u>(47,499)</u>	<u>4,305</u>	<u>-</u>	<u>4,305</u>
Total Funds	<u>368,609</u>	<u>(372,635)</u>	<u>(4,026)</u>	<u>-</u>	<u>(4,026)</u>
	Incoming resources	Resources expended	Net movement before transfer	Transfer between funds	Net movement in funds
	2021	2021	2021	2021	2021
	£	£	£	£	£
Unrestricted Funds					
General fund	422,199	(277,772)	144,427	(52,596)	91,831
Designated fund:					
Tangible Fixed Asset	-	-	-	(10,873)	(10,873)
Capital expenditure	-	-	-	1,178	1,178
Expansion reserve	-	-	-	-	-
Local impact reserve	-	-	-	62,160	62,160
	<u>422,199</u>	<u>(277,772)</u>	<u>144,427</u>	<u>(131)</u>	<u>144,296</u>
Restricted Funds					
Restricted funds	<u>78,933</u>	<u>(61,362)</u>	<u>17,571</u>	<u>131</u>	<u>17,702</u>
Total Funds	<u>501,132</u>	<u>(339,134)</u>	<u>161,998</u>	<u>-</u>	<u>161,998</u>

16 Legal status of the Charity

The Charity is a company incorporated in England and Wales and limited by guarantee. It has no share capital. The level of guarantee for each member is limited to £10 per member.

Annual Report and Financial Statements for the year ended 31 March 2021

17 Related party transactions

There have been no related party transactions in the reporting period that require disclosure.

18 Post Balance Sheet Events

A second insurance claim for restricted access between July 2020 and November 2020 was successful and of the total insurance claim of £62,732 an amount of £20,546 was received in June 2021 and has been taken in 2020-2021 as the year to which it referred.

As part of the COVID pandemic support from the government we have continued to receive statutory grants as a charity operating in the fitness sector and also continued to part-furlough staff during the gradual re-opening following the third lockdown. As social distancing requirements have relaxed, exercisers have gradually returned, though as at July 2021 only at around 2/3 of the pre-pandemic levels and it is expected that the full effect on the charity's finances will not be known until at least the end of the financial year 2021-2022.

As a result of expected reduced charitable activities, income and Event and Community Fundraising this year is likely to continue to be restricted, the charity has budgeted a loss for 2021-2022. However, the Trustees are confident that the general reserves are sufficient to mitigate the overall financial impact in 2021-2022 and into subsequent years.

Annual Report and Financial Statements for the year ended 31 March 2021

Detailed Statement of Financial Activities
for the year ended 31 March 2021

	<u>2021</u>	<u>2020</u>
	£	£
Income and Endowments from:		
Charitable activities		
Exercise classes	29,781	122,440
Course fees	-	450
Room hire	1,178	14,955
Income from HM Government re COVID	41,329	-
Insurance Claim re COVID	62,732	-
Other income	<u>1</u>	<u>60</u>
	135,021	137,905
Income from HM Government re COVID – restricted	<u>37,012</u>	<u>1,731</u>
Total income from charitable activities	<u>172,033</u>	<u>139,636</u>
Other activities		
Events takings	30,058	47,462
Grand Draws	20,845	17,420
Lottery	13,561	14,787
Merchandise sales	4,856	6,681
100 Club donations	4,259	5,077
Corporate sponsorship	-	5,050
Flag days and collection tins	<u>104</u>	<u>3,837</u>
	<u>73,683</u>	<u>100,314</u>
Restricted income – community fundraising	<u>1,000</u>	<u>1,906</u>
Total Other activities	<u>74,683</u>	<u>102,220</u>
Donations and Legacies		
Regular giving	11,238	7,483
Donations and gifts	53,803	35,369
Legacies	50,939	13,000
In Memoriam	4,909	6,170
Trusts and Foundations	<u>39,880</u>	<u>16,500</u>
Unrestricted income	<u>160,769</u>	<u>78,522</u>
Restricted income – donations: services provided in kind	16,508	37,917
Restricted income – regular giving	960	1,200
Restricted income – Statutory grants	1,550	4,050
Restricted income – Trusts and Foundations	<u>21,903</u>	<u>5,000</u>
Restricted income	<u>40,921</u>	<u>48,167</u>
Total Donations and Legacies	<u>201,690</u>	<u>126,689</u>
Investment income		
Bank deposit income	<u>24</u>	<u>64</u>
Total income and endowments	<u>448,430</u>	<u>368,609</u>

This page does not form part of the statutory financial statements.

Annual Report and Financial Statements for the year ended 31 March 2021

	<u>2021</u>	<u>2020</u>
	£	£
Expenditure		
Raising donations and legacies		
Salaries	29,385	30,075
National Insurance contributions	1,980	2,139
Pension contributions	1,016	939
Salaries – ex restricted income	4,474	1,906
Complete Fundraising costs	10,771	-
Publicity	3,953	2,836
Events expenses	6,170	13,389
Purchases	<u>2,126</u>	<u>2,578</u>
	<u>59,875</u>	<u>53,862</u>
Charitable activities		
Salaries	102,804	126,857
Salaries – ex restricted income	32,539	1,522
National Insurance contributions	3,644	3,842
Pension contributions	2,493	2,124
Rent, rates and water	258	3,694
Insurance	2,955	3,312
Light and heat	4,184	6,632
Telephone	2,474	2,685
Postage and stationery	3,609	6,340
Sundries	-	44
Cleaning	4,168	7,292
Repairs and maintenance	6,967	7,788
Repairs and maintenance – ex restricted income	1,478	2,348
Health and safety	1,909	62
Subscriptions	978	680
Travel expenses	42	523
Staff recruitment	342	275
Bank charges	993	1,676
Staff refreshments	29	1,062
Staff uniforms	126	-
Training	762	296
Training – ex restricted income	900	828
Physical training instructors	51,985	62,544
Restricted income - Cardiologist fees	7,650	28,160
Health programme expenses	895	627
Course expenses	-	346
IT costs	11,796	13,050
Depreciation – tangible assets	11,208	11,979
Depreciation – tangible assets – on restricted assets	4,724	3,455
Depreciation – intangible assets	240	240
Depreciation – intangible assets – on restricted assets	<u>1,239</u>	<u>961</u>
	<u>264,391</u>	<u>301,244</u>
Support costs		
Independent Examiner’s fee	2,040	2,620
Bookkeeping and payroll fees	827	830
Legal fees - restricted	8,358	9,797
Consultancy	<u>3,643</u>	<u>4,015</u>
	<u>14,868</u>	<u>17,262</u>
Total resources expended	<u>339,134</u>	<u>372,368</u>

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Annual Report and Financial Statements for the year ended 31 March 2021

Detailed Statement of Financial Activities (continued)
for the year ended 31 March 2021

	<u>2021</u>	<u>2020</u>
	£	£
Net Income/(expenditure)	109,296	(3,759)
Unrealised gain/(loss) on Investments	<u>52,702</u>	<u>(267)</u>
Net movement in Funds	<u>161,998</u>	<u>(4,026)</u>

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