

**REGISTERED COMPANY NUMBER: 02042583 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 518586**

**REPORT OF THE TRUSTEES AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025  
FOR  
EXERCISE REHABILITATION ASSOCIATION LTD**

Saxon & Co Accountants Ltd  
Statutory Auditors  
Chartered Certified Accountants  
Kings Chambers  
Queens Cross  
High Street  
Dudley  
West Midlands  
DY1 1QT

**EXERCISE REHABILITATION ASSOCIATION LTD**

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FOR THE YEAR ENDED 31 MARCH 2025**

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# EXERCISE REHABILITATION ASSOCIATION LTD

## REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2025

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2025. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

### OBJECTIVES AND ACTIVITIES

#### Objectives and aims

The charity provides a cardiovascular rehabilitation service that helps people who suffer from heart or vascular related conditions. These aims are mainly achieved via its clinical activities at the Action Heart Centre at Russells Hall Hospital in Dudley, West Midlands.

The charity is a public benefit entity. The trustees have had due regard for guidance published by the Charity Commission, including guidance on public benefit.

Action Heart serves its local community via its 'core service', the cardiovascular rehabilitation programme, which receives referrals from the Dudley Health economy and also from certain catchment areas within Sandwell, Staffordshire, Worcestershire, Wolverhampton and Birmingham health economies. The above geographical areas result in Action Heart serving a population in excess of 400,000. Action Heart also runs exercise rehabilitation programmes for patients with other conditions, such as diabetes, obesity and cancer.

Although Action Heart receives funding for the above clinical activities, the charity continues to trade through its wholly owned subsidiary Action Heart (Trading) Ltd, in order to generate additional funding to further the charity's objectives. Fundraising activities include sporting events, exercise classes and sales of goods. Its performance during the year is detailed in note 12 of the financial statements.

The charity's work is also underpinned by the wonderful contribution it receives from its volunteers, many of whom are ex-patients or carers of Action Heart's services. Indeed, the volunteers are an integral part of Action Heart's service and receive appropriate training and support to carry out their activities.

### ACHIEVEMENTS AND PERFORMANCE

All of Action Heart's services were greatly affected by the COVID-19 pandemic, in line with most other health providers in the UK.

At the start of the new financial and clinical year, although there continued to be optimistic signs that services were returning to normal, it was generally accepted that the recovery was taking much longer than predicted. Referrals continued at pre pandemic levels but the charity's income streams were still significantly down resulting in the services having to function with reduced staffing compared to pre pandemic levels.

The staff have worked incredibly hard to maintain service standards and to keep waiting lists to manageable levels, although waits remained significantly longer at the end of the year compared to pre pandemic standards. This was due to the fact that the charity was still not in a position to recruit to replace the staff who had either retired or relocated during the pandemic.

On a positive note, at the end of the financial year the future did look more promising than the most recent years with a view to the financial and service outlook. Patient throughput showed increasing numbers as did the number of patients choosing to join the maintenance programme. Should this trend continue the charity should be in a position to consider staff recruitment during 2025/2026.

In summary, referrals to Action Heart remained high and although waiting lists were generally longer, the most vulnerable patients were prioritised and kept under surveillance according to pre pandemic expectations. All services were operational and gradually returning to normal, despite challenging staff and financial circumstances.

## **EXERCISE REHABILITATION ASSOCIATION LTD**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2025**

#### **FINANCIAL REVIEW**

At the beginning of this financial year, Action Heart's commissioners, Black Country Integrated Care Board and Dudley Public Health once again assured Action Heart that normal funding would be continued, with a view to gradually returning to normal activity levels and the usual contract Key Performance Indicators. Indeed, an increase to Action Heart's cardiovascular rehabilitation service was agreed for 2025/2026 which should assist the charity in its ambition to return all services to normal.

Although Action Heart's clinical income streams continued as agreed, the charity's fundraising income remained extremely low when compared with pre pandemic levels. Increasing the charity's fundraising income will be a key challenge for the next financial year as this is the income stream which appears to be the weakest at present.

During the year Action Heart was successful in keeping its Exercise Referral contract under the umbrella service of a new lifestyle provider to Dudley, ABL Health Ltd.

Action Heart was also aware that it would likely be the recipient of a small number of legacies during the 2025/2026 financial year.

#### **FUTURE PLANS**

The charity still aspires to return to its full portfolio of clinical services, supported by a return to a full fundraising calendar. The charity's new working relationship with ABL Ltd has opened up new opportunities to further develop its work in the prevention of cardiovascular disease which already involves delivering NHS Health Checks to hospital staff at Russells Hall Hospital.

Action Heart is also keen to develop its rehabilitation and prevention services by adopting digital health technologies.

The trustees will continue to closely monitor the charity's income and expenditure levels.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

The charity constitutes a limited company registered in England & Wales, limited by guarantee, as defined by the Companies Act 2006. It is controlled by its Memorandum and Articles of Association, which form its governing document. The charity is known as 'Action Heart'.

##### **Recruitment and appointment of new trustees**

The directors of the company are also charity trustees for the purpose of charity law and under the company's Articles are known as members of the Council of Management.

Under the requirements of the Memorandum and Articles of Association one third of the longest serving members of the council must retire from office each year. (If their number is not three or a multiple of three, then the number nearest one third shall retire from office). A retiring member of the council can be re-elected at the next Annual General Meeting or a new member, who must have been recommended by the council, can be appointed by resolution.

##### **Organisational structure and key management**

The board of directors, who are also the trustees, are the charity's key management personnel. The day to day decision making and management of the charity is performed by Russell Tipson. Any major decisions are made by the Trustees. Russell Tipson's remuneration is authorised by the charity commission and is set by the other trustees who review it on an annual basis. The charity trades through a 100% owned subsidiary Action Heart (Trading) Ltd and its performance is detailed in note 12 of the accounts.

##### **Induction and training of new trustees**

The charity has procedures in place to train new trustees and this includes making them aware of their legal obligations under charity and company law, briefing them on charity commission guidance and trustee resources and making them aware of the contents of the governing document.

**EXERCISE REHABILITATION ASSOCIATION LTD**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2025**

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**

02042583 (England and Wales)

**Registered Charity number**

518586

**Registered office**

5 Baird House  
Dudley Innovation Centre  
Pensnett Estate  
Dudley  
West Midlands  
DY6 7YA

**Trustees**

L D Dugmore  
R J Tipson  
P A Owen  
R J Ennis

**Company Secretary**

R J Tipson

**Auditors**

Saxon & Co Accountants Ltd  
Statutory Auditors  
Chartered Certified Accountants  
Kings Chambers  
Queens Cross  
High Street  
Dudley  
West Midlands  
DY1 1QT

**Solicitors**

Rees Page  
8/12 Waterloo Road  
Wolverhampton  
WV1 4BL

**Bankers**

Lloyds Bank PLC  
63 High Street  
Dudley  
West Midlands  
DY1 1PY

**Use of Other Names**

The charity also operates under the name "Action Heart".

## **EXERCISE REHABILITATION ASSOCIATION LTD**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2025**

#### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees (who are also the directors of Exercise Rehabilitation Association Ltd for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year. Under that law, the trustees have elected to prepare the 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, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

#### **AUDITORS**

The auditors, Saxon & Co Accountants Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

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 order of the board of trustees on 17 December 2025 and signed on its behalf by:

P A Owen - Trustee

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF EXERCISE REHABILITATION ASSOCIATION LTD**

### **Opinion**

We have audited the financial statements of Exercise Rehabilitation Association Ltd (the 'charitable company') for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

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

### **Conclusions relating to going concern**

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

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

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

### **Other information**

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

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

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

### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
EXERCISE REHABILITATION ASSOCIATION LTD**

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

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

**Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF EXERCISE REHABILITATION ASSOCIATION LTD**

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

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

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

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks to obtain sufficient appropriate audit evidence on which to base our opinion.

To identify and assess risks of material misstatement in respect of irregularities, including fraud, we conduct general and specific risk assessment procedures which include considering:

- The nature of the entity and the industry in which it operates, business performance and the control environment.
- The laws and regulations applicable to the entity.
- Management's own assessment of the risk of fraud occurring and non-compliance with laws and regulations.
- The operating effectiveness of management's controls established to mitigate the risks of fraud or non-compliance with laws and regulations.
- Whether management know of any instances of fraud or non-compliance with laws and regulations.

We also hold an audit engagement team meeting to discuss how and where fraud might occur, if any opportunities and incentives may exist within the charity and assess any potential indicators of fraud.

As a result of our procedures we identify direct and indirect laws and regulations applicable to the entity. Direct laws and regulations are those that effect the financial statements and indirect laws and regulations are those that may be central to the entity's ability to operate. The direct laws and regulations identified are the Companies Act, Charities Act, UK GAAP (FRS 102 SORP) and UK Tax Legislation. Indirect laws and regulations identified are the charity's governing document, charity law and the Charity Commission public benefit.

Our response to the risks identified include:

- Reviewing the financial statement disclosures and testing supporting documentation.
- Enquiring of management concerning actual or potential litigation claims.
- Performing analytical procedures to identify any unusual or unexpected variances that may be indicators of material misstatement due to fraud.
- Assessing the risk of management override of controls and bias by testing the appropriateness of journal entries and estimates within the financial statements.
- Obtaining an understanding of related parties and evaluating related party transactions and any significant transactions outside the normal course of business.

We exercise professional judgement and also communicate the requirement to maintain professional skepticism to all members of the engagement team and ensure they are aware of relevant identified laws and regulations, related parties and potential fraud risks and remain alert to any indicators of fraud or non-compliance with laws and regulations throughout the audit.

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
EXERCISE REHABILITATION ASSOCIATION LTD**

**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Matthew Saxon (Senior Statutory Auditor)  
for and on behalf of Saxon & Co Accountants Ltd  
Statutory Auditors  
Chartered Certified Accountants  
Kings Chambers  
Queens Cross  
High Street  
Dudley  
West Midlands  
DY1 1QT

17 December 2025

**EXERCISE REHABILITATION ASSOCIATION LTD**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2025**

	Notes	2025 Unrestricted fund £	2024 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations, legacies, charitable and other trading activities	2	541,139	371,978
Investment income	3	109,855	77,876
<b>Total</b>		<u>650,994</u>	<u>449,854</u>
 <b>EXPENDITURE ON</b>			
<b>Charitable activities</b>	4		
General		<u>492,247</u>	<u>513,224</u>
<b>NET INCOME/(EXPENDITURE)</b>		158,747	(63,370)
 <b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward		45,743	109,113
 <b>TOTAL FUNDS CARRIED FORWARD</b>		 <u><u>204,490</u></u>	 <u><u>45,743</u></u>

The notes form part of these financial statements

**EXERCISE REHABILITATION ASSOCIATION LTD**

**BALANCE SHEET  
31 MARCH 2025**

	Notes	2025 Unrestricted fund £	2024 Total funds £
<b>FIXED ASSETS</b>			
Intangible assets	10	720	2,152
Tangible assets	11	12,947	17,487
Investments	12	2	2
		13,669	19,641
<b>CURRENT ASSETS</b>			
Debtors	13	29,896	25,609
Cash at bank		183,576	25,435
		213,472	51,044
<b>CREDITORS</b>			
Amounts falling due within one year	14	(22,651)	(24,942)
		190,821	26,102
<b>NET CURRENT ASSETS</b>			
		204,490	45,743
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
		204,490	45,743
<b>NET ASSETS</b>			
		204,490	45,743
<b>FUNDS</b>			
Unrestricted funds	16	204,490	45,743
		204,490	45,743
<b>TOTAL FUNDS</b>			

The notes form part of these financial statements

**EXERCISE REHABILITATION ASSOCIATION LTD**

**BALANCE SHEET - continued**  
**31 MARCH 2025**

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 17 December 2025 and were signed on its behalf by:

P A Owen - Trustee

R J Tipson - Trustee

R J Ennis - Trustee

**EXERCISE REHABILITATION ASSOCIATION LTD**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2025**

	Notes	2025 £	2024 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	48,286	(126,766)
Net cash provided by/(used in) operating activities		<u>48,286</u>	<u>(126,766)</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		-	(1,782)
Covenant		109,555	77,410
Interest received		300	466
Net cash provided by investing activities		<u>109,855</u>	<u>76,094</u>
<b>Change in cash and cash equivalents in the reporting period</b>			
		158,141	(50,672)
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>25,435</u>	<u>76,107</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u><u>183,576</u></u>	<u><u>25,435</u></u>

The notes form part of these financial statements

**EXERCISE REHABILITATION ASSOCIATION LTD**

**NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2025**

**1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2025 £	2024 £
<b>Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)</b>	158,747	(63,370)
<b>Adjustments for:</b>		
Depreciation charges	5,522	6,946
Loss on disposal of fixed assets	450	21
Interest received	(300)	(466)
Covenant	(109,555)	(77,410)
(Increase)/decrease in debtors	(4,287)	2,343
(Decrease)/increase in creditors	(2,291)	5,170
<b>Net cash provided by/(used in) operations</b>	<u>48,286</u>	<u>(126,766)</u>

**2. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.4.24 £	Cash flow £	At 31.3.25 £
<b>Net cash</b>			
Cash at bank	25,435	158,141	183,576
	<u>25,435</u>	<u>158,141</u>	<u>183,576</u>
<b>Total</b>	<u>25,435</u>	<u>158,141</u>	<u>183,576</u>

The notes form part of these financial statements

## EXERCISE REHABILITATION ASSOCIATION LTD

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

#### 1. ACCOUNTING POLICIES

##### **Basis of preparation**

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 UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

The company is a parent and prepares separate financial statements that present information about the charity as an individual undertaking and not as a group. The charity is exempt from preparing consolidated financial statements by virtue of its size.

##### **Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably. Income derived from the provision of goods and services is stated net of VAT.

Donated resources are recognised as income once the subsequent sale of the donated goods is made. Contributions from unpaid general volunteers are not recognised.

The charity is given use of facilities at Russell Hall NHS hospital from which to conduct its activities. These donated facilities are not recognised as income because the value of such specialist facilities cannot be reliably measured.

##### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

##### **Governance costs**

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees.

##### **Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Equipment	- 25% on reducing balance
Fixtures and fittings	- 15% on reducing balance
Computer equipment and software	- 25% on reducing balance

##### **Taxation**

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

##### **Fund accounting**

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

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**EXERCISE REHABILITATION ASSOCIATION LTD**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2025**

**1. ACCOUNTING POLICIES - continued**

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

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

**Leasing commitments**

Rentals paid under operating leases are charged to the statement of financial activities on a straight line basis over the period of the lease.

**Financial instruments**

The charity only has basic financial instruments. Basic financial instruments are measured at amortised cost.

**Government grants**

Once the recognition criteria have been met the charity recognises grants using either the performance model or the accruals model.

**2. DONATIONS, LEGACIES, CHARITABLE AND OTHER TRADING ACTIVITIES**

	2025	2024
	£	£
Donations and legacies	286,110	110,627
Income from charitable activities	247,066	253,819
Income from other trading activities	7,963	7,532
	541,139	371,978
	541,139	371,978

The amount received from non-exchange transactions included in the above amounts is £77,485 (2024-£95,996). These relate to donations and sales of donated goods.

**3. INVESTMENT INCOME**

	2025	2024
	£	£
Covenant- Action Heart (Trading) Limited	109,555	77,410
Interest received	300	466
	109,855	77,876
	109,855	77,876

**EXERCISE REHABILITATION ASSOCIATION LTD**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2025**

**4. CHARITABLE ACTIVITIES COSTS**

	Direct Costs £	Support costs (see note 5) £	Totals £
General	487,015	5,232	492,247
	<u>487,015</u>	<u>5,232</u>	<u>492,247</u>

**5. SUPPORT COSTS**

			Governance costs £
General			5,232
			<u>5,232</u>

Support costs, included in the above, are as follows:

	2025	2024
	General £	Total activities £
Auditors' remuneration	4,582	5,589
Auditors' remuneration for non audit work	650	600
	<u>5,232</u>	<u>6,189</u>

**6. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	2025	2024
	£	£
Auditors' remuneration	4,582	5,589
Other non-audit services	650	600
Depreciation - owned assets	4,090	5,514
Deficit on disposal of fixed assets	450	21
Computer software amortisation	1,432	1,432
	<u>14,104</u>	<u>18,656</u>

**7. TRUSTEES' REMUNERATION AND BENEFITS**

	2025	2024
	£	£
Trustees' salaries	47,151	58,300
Trustees' pension contributions to money purchase schemes	330	1,313
	<u>47,481</u>	<u>59,613</u>

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 March 2025 nor for the year ended 31 March 2024.

**EXERCISE REHABILITATION ASSOCIATION LTD**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2025**

**8. STAFF COSTS**

	2025	2024
	£	£
Wages and salaries	351,985	376,115
Social security costs	24,604	26,312
Other pension costs	6,100	8,170
	<u>382,689</u>	<u>410,597</u>

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

	2025	2024
Staff	18	19
	<u>18</u>	<u>19</u>

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

**9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted fund £
<b>INCOME AND ENDOWMENTS FROM</b>	
Donations, legacies, charitable and other trading activities	371,978
Investment income	77,876
<b>Total</b>	<u>449,854</u>
 <b>EXPENDITURE ON</b>	
<b>Charitable activities</b>	
General	513,224
 <b>NET INCOME/(EXPENDITURE)</b>	<u>(63,370)</u>
 <b>RECONCILIATION OF FUNDS</b>	
Total funds brought forward	109,113
 <b>TOTAL FUNDS CARRIED FORWARD</b>	<u>45,743</u>

**EXERCISE REHABILITATION ASSOCIATION LTD**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2025**

**10. INTANGIBLE FIXED ASSETS**

	Computer software £
<b>COST</b>	
At 1 April 2024 and 31 March 2025	4,300
<b>AMORTISATION</b>	
At 1 April 2024	2,148
Charge for year	1,432
At 31 March 2025	3,580
<b>NET BOOK VALUE</b>	
At 31 March 2025	720
At 31 March 2024	2,152

**11. TANGIBLE FIXED ASSETS**

	Equipment £	Fixtures and fittings £	Computer equipment and software £	Totals £
<b>COST</b>				
At 1 April 2024	186,143	54,539	36,472	277,154
Disposals	(4,800)	-	-	(4,800)
At 31 March 2025	181,343	54,539	36,472	272,354
<b>DEPRECIATION</b>				
At 1 April 2024	180,246	52,855	26,566	259,667
Charge for year	1,362	252	2,476	4,090
Eliminated on disposal	(4,350)	-	-	(4,350)
At 31 March 2025	177,258	53,107	29,042	259,407
<b>NET BOOK VALUE</b>				
At 31 March 2025	4,085	1,432	7,430	12,947
At 31 March 2024	5,897	1,684	9,906	17,487

**EXERCISE REHABILITATION ASSOCIATION LTD**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2025**

**12. FIXED ASSET INVESTMENTS**

	Shares in group undertakings £
<b>MARKET VALUE</b>	
At 1 April 2024 and 31 March 2025	2
<b>NET BOOK VALUE</b>	
At 31 March 2025	2
At 31 March 2024	2

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

**Action Heart (Trading) Limited**

Registered office: 5 Baird House, Dudley Innovation Centre, Pensnett Estate, Dudley, West Midlands, DY6 7YA.

Nature of business: Supply of goods and services

	%		
Class of share:	holding		
Ordinary	100		
		2025	2024
		£	£
Aggregate capital and reserves		3,595	3,727
Profit for the year		109,423	77,956
		<u>109,423</u>	<u>77,956</u>
 Summary financial information of subsidiary:		 2025	 2024
		£	£
Turnover		173,414	143,294
Expenditure		(63,991)	(65,338)
		<u>109,423</u>	<u>77,956</u>
 Assets		 42,317	 39,423
Liabilities		(38,722)	(35,696)
		<u>3,595</u>	<u>3,727</u>
Net Assets		<u>3,595</u>	<u>3,727</u>

**EXERCISE REHABILITATION ASSOCIATION LTD**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2025**

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

	2025	2024
	£	£
Amounts owed by group undertakings	16,856	9,347
Prepayments and accrued income	13,040	16,262
	29,896	25,609
	29,896	25,609

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

	2025	2024
	£	£
Social security and other taxes	6,649	6,553
Other creditors	2,794	3,237
Accrued expenses	13,208	15,152
	22,651	24,942
	22,651	24,942

**15. LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2025	2024
	£	£
Within one year	24,504	19,084
Between one and five years	95,976	-
	120,480	19,084
	120,480	19,084

**16. MOVEMENT IN FUNDS**

	At 1.4.24	Net movement in funds	At 31.3.25
	£	£	£
<b>Unrestricted funds</b>			
General fund	45,743	158,747	204,490
	45,743	158,747	204,490
<b>TOTAL FUNDS</b>	45,743	158,747	204,490

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
<b>Unrestricted funds</b>			
General fund	650,994	(492,247)	158,747
	650,994	(492,247)	158,747
<b>TOTAL FUNDS</b>	650,994	(492,247)	158,747

EXERCISE REHABILITATION ASSOCIATION LTD

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2025

16. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.23 £	Net movement in funds £	At 31.3.24 £
<b>Unrestricted funds</b>			
General fund	109,113	(63,370)	45,743
<b>TOTAL FUNDS</b>	<u>109,113</u>	<u>(63,370)</u>	<u>45,743</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	449,854	(513,224)	(63,370)
<b>TOTAL FUNDS</b>	<u>449,854</u>	<u>(513,224)</u>	<u>(63,370)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.23 £	Net movement in funds £	At 31.3.25 £
<b>Unrestricted funds</b>			
General fund	109,113	95,377	204,490
<b>TOTAL FUNDS</b>	<u>109,113</u>	<u>95,377</u>	<u>204,490</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	1,100,848	(1,005,471)	95,377
<b>TOTAL FUNDS</b>	<u>1,100,848</u>	<u>(1,005,471)</u>	<u>95,377</u>

**EXERCISE REHABILITATION ASSOCIATION LTD**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2025**

**17. RELATED PARTY DISCLOSURES**

Rees Page Solicitors charged the charity £673 during the year (2024- £1,193). Mr R J Ennis is a partner in the firm.

R Tipson was paid a salary of £47,151 during the year (2024- £58,300). This remuneration was approved by the charity commission.

Action Heart (Trading) Ltd, a 100% owned subsidiary, paid the charity by way of covenant £109,555 during the year (2024- £77,410) and £12,000 (2024- £12,000) for service recharges. At the 31st March 2025 the subsidiary owed the charity £16,856 (2024 -£9,347).

Pleagrove Ltd charged the charity £16,704 (2024- £16,240) for bookkeeping and payroll services. Mr P A Owen is a director and shareholder in this company.

**EXERCISE REHABILITATION ASSOCIATION LTD**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2025**

	2025 Unrestricted funds £	2024 Total funds £
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations, legacies, charitable and other trading activities</b>		
Income	541,139	371,978
<b>Investment income</b>		
Covenant- Action Heart (Trading) Limited	109,555	77,410
Interest received	300	466
	109,855	77,876
<b>Total incoming resources</b>	650,994	449,854
 <b>EXPENDITURE</b>		
<b>Charitable activities</b>		
Trustees' salaries	47,151	58,300
Trustees' pension contributions	330	1,313
Wages	304,834	317,815
Employers national insurance	24,604	26,312
Pensions	5,770	6,857
Insurance	9,123	7,916
Light and heat	5,787	4,766
Postage, stationery, telephone and advertising	4,428	4,779
Repairs, maintenance and training	801	1,162
Computer expenses, software and support	24,433	24,116
Sundries and subscriptions	3,506	3,998
Motor and travelling expenses	5,975	3,992
Professional charges	18,009	16,471
Equipment spares and accessories	453	535
Rent and service charge	25,200	21,130
Bank charges	639	606
Software ammortisation	1,432	1,432
Depreciation equipment	1,362	1,916
Depreciation fixtures and fittings	252	296
Depreciation computer equipment	2,476	3,302
Loss on sale of tangible fixed assets	450	21
	487,015	507,035
 <b>Support costs</b>		
<b>Governance costs</b>		
Auditors' remuneration	4,582	5,589
Carried forward	4,582	5,589

This page does not form part of the statutory financial statements

**EXERCISE REHABILITATION ASSOCIATION LTD**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2025**

	2025 Unrestricted funds £	2024 Total funds £
<b>Governance costs</b>		
Brought forward	4,582	5,589
Auditors' remuneration for non audit work	650	600
	<u>5,232</u>	<u>6,189</u>
Total resources expended	<u>492,247</u>	<u>513,224</u>
<b>Net income</b>	<u>158,747</u>	<u>(63,370)</u>

This page does not form part of the statutory financial statements