

IHEART Principles Limited
Company Limited by Guarantee
Unaudited Financial Statements
30 June 2019

HICKS AND COMPANY

Chartered Accountants
Vaughan Chambers
Vaughan Road
Harpenden
Hertfordshire
AL5 4EE

IHEART Principles Limited

Company Limited by Guarantee

Financial Statements

Period from 1 May 2018 to 30 June 2019

	Page
Trustees' annual report (incorporating the director's report)	1
Independent examiner's report to the trustees	4
Statement of financial activities (including income and expenditure account)	6
Statement of financial position	7
Statement of cash flows	9
Notes to the financial statements	10

IHEART Principles Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Period from 1 May 2018 to 30 June 2019

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the period ended 30 June 2019.

Reference and administrative details

Registered charity name IHEART Principles Limited

Charity registration number 1173025

Company registration number 10415309

Principal office 66 Brent Street
Hendon
London
NW4 2ES

Registered office Vaughan Chambers
Vaughan Road
Harpenden
Hertfordshire
AL5 4EE

The trustees

D L Arenson	(Appointed 20 July 2018)
D E Besorai	(Resigned 14 May 2019)
E Bogush	(Served from 7 June 2018 to 1 November 2019)
J H Bogush	(Resigned 1 June 2018)
I C Garner-Patel	(Appointed 3 December 2018)
L J Osborn	(Appointed 14 June 2019)

Independent examiner Philip Dean FCA
Hicks and Company
Chartered Accountants
Vaughan Chambers
Vaughan Road
Harpenden
Hertfordshire
AL5 4EE

IHEART Principles Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Period from 1 May 2018 to 30 June 2019

Structure, governance and management

The charity is a company limited by guarantee.

The trustees, who are also the directors for the purpose of company law, and who served during the period and up to the date of the signature of the financial statements were:

Dana Lisa Arenson (Appointed 20 July 2018)
Jeremy Howard Bogush (Resigned 1 June 2018)
Edwina Bogush (Served from 7 June 2018 to 1 November 2019)
Deborah Elana Besorai (Resigned 14 May 2019)
Ila Caroline Garner-Patel (Appointed 3 December 2018)
Leonie Jane Osborne (Appointed 14 June 2019)

There is no specific policy in place for the recruitment, appointment, induction and training of trustees. An informal induction programme has been developed and employed when needed.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of winding up.

The affairs of the charity are governed by the Board of Trustees. They are responsible for setting the strategic direction of the charity, consideration of reserves, risk management, performance review and setting general organisational policy.

Objectives and activities

The purpose of IHEART is to relieve ill mental health and to promote and protect good mental health through the provision of courses and workshops in the subjects of resilience and the principles of innate health.

The main activity undertaken in relation to the purposes is the educating of young people (aged 10-18) through the teaching of a resilience curriculum in educational settings including schools. The other activity is adult education through one-to-one sessions, workshops and speaker events.

The trustees have paid due regard to guidance issues by the Charity Commission in deciding what activities the charity should undertake and consider that the activities of the charity have been for the public benefit.

IHEART Principles Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Period from 1 May 2018 to 30 June 2019

Achievements and performance

During this period IHEART increased the delivery of its curriculum to young people. This included delivering the programme to over 2,000 beneficiaries in a range of settings including schools, universities, private groups, and a sporting academy. This included the training of over 60 teachers/educators in the curriculum to enable them to deliver directly to young people and hence help to scale.

We created the IHEART Training Academy with the aim of training facilitators to deliver the curriculum. 3 levels were created, enabling facilitators to gain increasing competencies and skills in the curriculum and its delivery. The level 3 teaches facilitators to train teachers (train the trainer). Over 120 facilitators completed Level 1. 20 of these joined Level 2. We were not in a position to begin a Level 3 training during the period as facilitators did not yet have the level of experience required.

We carried out a number of fundraising activities, notably a dinner in September 2018. We were awarded 3 grants including from the Bloom Foundation and The John Lyons Trust. This enabled IHEART to be delivered into educational institutions who were unable to fund the programme.

Financial review

For the period ended 30 June 2019 total income was £684,676. Of this figure, £188,467 was received as donations and grants (see note 5) and £493,560 was from charitable activities (see note 6).

The total expenditure on charitable activities for the period was £655,728. Of this, £325,613 was spent on the considerable support costs required in the early stages of setting up our programmes including expenditure on staff, rent and technical expertise.

It is the policy of the charity to ultimately maintain unrestricted funds not designated for a specific use at a level equivalent of four months' expenditure. As at 30 June 2019 the funds were £39,606 and the Trustees aim to increase this in line with the charity's policy over the next few years.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 17 January 2020 and signed on behalf of the board of trustees by:



D L Arenson
Trustee

IHEART Principles Limited

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of IHEART Principles Limited

Period from 1 May 2018 to 30 June 2019

I report to the trustees on my examination of the financial statements of IHEART Principles Limited ('the charity') for the period ended 30 June 2019.

Responsibilities and basis of report

As the trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements 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 the 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.

This report is made solely to the trustees in accordance with Sections 145 of the Charities Act 2011. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an Independent Examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees for my examination work.

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent examiner's statement

Since the charity'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 (ICAEW), 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:

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
 2. the financial statements do not accord with those records; or
 3. the financial statements 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 financial statements 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).
-

IHEART Principles Limited

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of IHEART Principles Limited (continued)

Period from 1 May 2018 to 30 June 2019

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.



Philip Dean, FCA
Independent Examiner

Hicks and Company
Chartered Accountants
Vaughan Chambers
Vaughan Road
Harpenden
Hertfordshire
AL5 4EE

17 January 2020

IHEART Principles Limited

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Period from 1 May 2018 to 30 June 2019

		Period from 1 May 18 to 30 Jun 19			Year to 30 Apr 18
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Income and endowments					
Donations and legacies	5	152,167	36,300	188,467	179,294
Charitable activities	6	493,560	–	493,560	214,972
Other income	7	2,649	–	2,649	18,822
Total income		<u>648,376</u>	<u>36,300</u>	<u>684,676</u>	<u>413,088</u>
Expenditure					
Expenditure on charitable activities	8,9	619,428	36,300	655,728	402,430
Total expenditure		<u>619,428</u>	<u>36,300</u>	<u>655,728</u>	<u>402,430</u>
Net income and net movement in funds		<u>28,948</u>	<u>–</u>	<u>28,948</u>	<u>10,658</u>
Reconciliation of funds					
Total funds brought forward		10,658	–	10,658	–
Total funds carried forward		<u>39,606</u>	<u>–</u>	<u>39,606</u>	<u>10,658</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 10 to 20 form part of these financial statements.

IHEART Principles Limited

Company Limited by Guarantee

Statement of Financial Position

30 June 2019

	Note	30 Jun 19 £	30 Apr 18 £
Fixed assets			
Intangible assets	15	756	1,237
Tangible fixed assets	16	<u>5,191</u>	<u>5,994</u>
		5,947	7,231
Current assets			
Stocks	17	1,320	5,153
Debtors	18	76,618	32,686
Cash at bank and in hand		<u>13,268</u>	<u>46,469</u>
		91,206	84,308
Creditors: amounts falling due within one year	19	<u>57,547</u>	<u>80,881</u>
Net current assets		<u>33,659</u>	<u>3,427</u>
Total assets less current liabilities		<u>39,606</u>	<u>10,658</u>
Net assets		<u>39,606</u>	<u>10,658</u>
Funds of the charity			
Unrestricted funds		<u>39,606</u>	<u>10,658</u>
Total charity funds	22	<u>39,606</u>	<u>10,658</u>

For the period ending 30 June 2019 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the period in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

The statement of financial position
continues on the following page.

The notes on pages 10 to 20 form part of these financial statements.

IHEART Principles Limited

Company Limited by Guarantee

Statement of Financial Position *(continued)*

30 June 2019

These financial statements were approved by the board of trustees and authorised for issue on 17 January 2020, and are signed on behalf of the board by:



D L Arenson
Trustee

The notes on pages 10 to 20 form part of these financial statements.

IHEART Principles Limited

Company Limited by Guarantee

Statement of Cash Flows

Period from 1 May 2018 to 30 June 2019

	30 Jun 19 £	30 Apr 18 £
Cash flows from operating activities		
Net income	28,948	10,658
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	2,673	1,998
Amortisation of intangible assets	481	413
Accrued expenses	1,322	3,838
<i>Changes in:</i>		
Stocks	3,833	(5,153)
Trade and other debtors	(43,932)	(32,686)
Trade and other creditors	(14,016)	27,243
Other operating cash flow changes	(10,640)	49,800
Cash generated from operations	<u>(31,331)</u>	<u>56,111</u>
Net cash (used in)/from operating activities	<u>(31,331)</u>	<u>56,111</u>
Cash flows from investing activities		
Purchase of tangible assets	(1,870)	(7,992)
Purchase of intangible assets	–	(1,650)
Net cash used in investing activities	<u>(1,870)</u>	<u>(9,642)</u>
Net (decrease)/increase in cash and cash equivalents	(33,201)	46,469
Cash and cash equivalents at beginning of period	46,469	–
Cash and cash equivalents at end of period	<u>13,268</u>	<u>46,469</u>

The notes on pages 10 to 20 form part of these financial statements.

IHEART Principles Limited

Company Limited by Guarantee

Notes to the Financial Statements

Period from 1 May 2018 to 30 June 2019

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Vaughan Chambers, Vaughan Road, Harpenden, Hertfordshire, AL5 4EE.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

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

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

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

IHEART Principles Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Period from 1 May 2018 to 30 June 2019

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

IHEART Principles Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Period from 1 May 2018 to 30 June 2019

3. Accounting policies *(continued)*

Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

Intangible assets acquired as part of a business combination are recorded at the fair value at the acquisition date.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Intangible assets - 25% straight line

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Plant and machinery - 25% straight line
Computer equipment - 25% straight line

IHEART Principles Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Period from 1 May 2018 to 30 June 2019

3. Accounting policies *(continued)*

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

IHEART Principles Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Period from 1 May 2018 to 30 June 2019

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Limited by guarantee

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Donations			
Donations and gifts	152,167	–	152,167
Grants			
Grants receivable	–	36,300	36,300
	<u>152,167</u>	<u>36,300</u>	<u>188,467</u>

IHEART Principles Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Period from 1 May 2018 to 30 June 2019

5. Donations and legacies *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £
Donations			
Donations and gifts	169,294	–	169,294
Grants			
Grants receivable	10,000	–	10,000
	<u>179,294</u>	<u>–</u>	<u>179,294</u>

6. Charitable activities

	Unrestricted Funds £	Total Funds 2019 £	Unrestricted Funds £	Total Funds 2018 £
IHEART	<u>493,560</u>	<u>493,560</u>	<u>214,972</u>	<u>214,972</u>

7. Other income

	Unrestricted Funds £	Total Funds 2019 £	Unrestricted Funds £	Total Funds 2018 £
Royalties	1,189	1,189	2,401	2,401
Other income	–	–	4,022	4,022
Stock sales	1,460	1,460	12,399	12,399
	<u>2,649</u>	<u>2,649</u>	<u>18,822</u>	<u>18,822</u>

8. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
IHEART	457,019	36,300	493,319
Support costs	162,409	–	162,409
	<u>619,428</u>	<u>36,300</u>	<u>655,728</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £
IHEART	229,108	–	229,108
Support costs	173,322	–	173,322
	<u>402,430</u>	<u>–</u>	<u>402,430</u>

IHEART Principles Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Period from 1 May 2018 to 30 June 2019

9. Expenditure on charitable activities by activity type

	Activities undertaken directly	Support costs	Total funds 2019	Total fund 2018
	£	£	£	£
IHEART	493,319	159,649	652,968	399,790
Governance costs	–	2,760	2,760	2,640
	<u>493,319</u>	<u>162,409</u>	<u>655,728</u>	<u>402,430</u>

10. Analysis of support costs

	Support costs	Total 2019	Total 2018
	£	£	£
Staff costs	83,391	83,391	54,460
Governance costs	2,760	2,760	2,640
Office support costs	44,301	44,301	105,095
Accountancy support costs	29,421	29,421	7,464
Bank fees and charges	2,536	2,536	3,664
	<u>162,409</u>	<u>162,409</u>	<u>173,323</u>

11. Net income

Net income is stated after charging/(crediting):

	30 Jun 19	30 Apr 18
	£	£
Amortisation of intangible assets	481	413
Depreciation of tangible fixed assets	<u>2,673</u>	<u>1,998</u>

12. Independent examination fees

	Period from 1 May 18 to 30 Jun 19	Year to 30 Apr 18
	£	£
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>2,760</u>	<u>2,640</u>

IHEART Principles Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Period from 1 May 2018 to 30 June 2019

13. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	Period from 1 May 18 to 30 Jun 19 £	Year to 30 Apr 18 £
Wages and salaries	156,338	53,090
Social security costs	7,804	1,186
Employer contributions to pension plans	2,562	183
	<u>166,704</u>	<u>54,459</u>

The average head count of employees during the period was 6 (2018: 8).

No employee received employee benefits of more than £60,000 during the year (2018: Nil).

14. Trustees

None of the trustee received any remuneration for their services as trustees.

The aggregate of donations from related parties to the charity totalled £10,000 (2018: £4,199).

15. Intangible assets

	Website design £
Cost	
At 1 May 2018 and 30 June 2019	1,650
Amortisation	
At 1 May 2018	413
Charge for the period	481
At 30 June 2019	<u>894</u>
Carrying amount	
At 30 June 2019	<u>756</u>
At 30 April 2018	<u>1,237</u>

IHEART Principles Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Period from 1 May 2018 to 30 June 2019

16. Tangible fixed assets

	Plant and machinery £	Computer equipment £	Total £
Cost			
At 1 May 2018	6,930	1,062	7,992
Additions	746	1,124	1,870
At 30 June 2019	<u>7,676</u>	<u>2,186</u>	<u>9,862</u>
Depreciation			
At 1 May 2018	1,733	265	1,998
Charge for the period	2,221	452	2,673
At 30 June 2019	<u>3,954</u>	<u>717</u>	<u>4,671</u>
Carrying amount			
At 30 June 2019	<u>3,722</u>	<u>1,469</u>	<u>5,191</u>
At 30 April 2018	<u>5,197</u>	<u>797</u>	<u>5,994</u>

17. Stocks

	30 Jun 19 £	30 Apr 18 £
Finished goods and goods for resale	<u>1,320</u>	<u>5,153</u>

18. Debtors

	30 Jun 19 £	30 Apr 18 £
Trade debtors	73,549	28,157
Prepayments and accrued income	2,862	2,740
Other debtors	207	1,789
	<u>76,618</u>	<u>32,686</u>

19. Creditors: amounts falling due within one year

	30 Jun 19 £	30 Apr 18 £
Trade creditors	9,397	17,614
Accruals and deferred income	44,320	53,638
Social security and other taxes	3,048	4,295
Wages and salaries control	63	4,963
Other creditors	719	371
	<u>57,547</u>	<u>80,881</u>

IHEART Principles Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Period from 1 May 2018 to 30 June 2019

20. Deferred income

	30 Jun 19	30 Apr 18
	£	£
Amount deferred in period	<u>39,160</u>	<u>49,800</u>

21. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £2,562 (2018: £183).

22. Analysis of charitable funds

Unrestricted funds

	At 1 May 2018	Income £	Expenditure £	At 30 June 2019
General funds	<u>10,658</u>	<u>648,376</u>	<u>(619,428)</u>	<u>39,606</u>

	At 1 May 2017	Income £	Expenditure £	At 30 April 2018
General funds	<u>–</u>	<u>413,088</u>	<u>(402,430)</u>	<u>10,658</u>

Restricted funds

	At 1 May 2018	Income £	Expenditure £	At 30 June 2019
Grants received	<u>–</u>	<u>36,300</u>	<u>(36,300)</u>	<u>–</u>

There were no movements in restricted funds in the year ended 30 April 2018.

IHEART Principles Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Period from 1 May 2018 to 30 June 2019

23. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	30 Jun 19 £	30 Apr 18 £
Financial assets that are debt instruments measured at amortised cost		
Financial assets that are debt instruments measured at amortised cost	<u>73,756</u>	<u>29,946</u>
Financial liabilities measured at amortised cost		
Financial liabilities measured at amortised cost	<u>12,508</u>	<u>26,874</u>

24. Related parties

The Trustees consider that the following individuals are related parties to the charity by nature of their positions held. During the period, the charity entered into the following transactions with related parties:

	Practitioner fees £	Salary £	Pension contributions £	30 Jun 19 £	30 Apr 18 £
Jeremy Bogush, Chief Operating Officer	39,600	9,524	116	49,240	2,190
Terry Rubenstein, Founder	62,000	9,666	119	71,785	47,700
Brian Rubenstein, Chief Executive Officer	<u>61,750</u>	<u>9,545</u>	<u>117</u>	<u>71,412</u>	<u>50,590</u>
	<u>163,350</u>	<u>28,735</u>	<u>352</u>	<u>192,437</u>	<u>100,480</u>

At the end of the period there were no unpaid balances (2018: £nil).