

COMPANY LIMITED BY GUARANTEE

The Heartbeat Trust

Annual Report and Financial
Statements
for the year ended
31 December 2018



THE HEARTBEAT TRUST COMPANY LIMITED BY GUARANTEE

REPORT AND FINANCIAL STATEMENTS 2018

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ABBREVIATIONS

AGM	Annual General Meeting
ARGSC	Audit, Risk and Governance Sub-committee
BNP	B-Type Natriuretic Peptide
CME	Continuing Medical Education
CV	Cardiovascular
EU	European Union
FRC	Financial Reporting Council
FRS	Financial Reporting Standard
HBT	Heartbeat Trust
HCP	Healthcare Professional
HRB	Health Research Board
HSE	Health Services Executive
IAASA	Irish Auditing & Accounting Supervisory Authority
ICGP	Irish College of General Practitioners
IHHUB	International Heart Health Hub
IHRF	Irish Health Research Forum
ISA	International Standard on Auditing
IT	Information Technology
MD	Doctor of Medicine
MRCG	Medical Research Charities Group
NTproBNP	N-Terminal pro-B-Type Natriuretic Peptide
PARABLE	Personalised Prospective Comparison of ARni With ArB in Patients With Natriuretic Peptide eLEvation
PAYE	Pay-as-you-earn
SORP	Statement of Recommended Practice
STOP-HF	St Vincent's Screening TO Prevent Heart Failure Programme
UCD	University College, Dublin
UK	United Kingdom
US	United States

Forward from the chair



Dr Ambrose McLoughlin Chair, the Heartbeat Trust

It is my privilege to commend to you, the 2018 Annual Report of the Heartbeat Trust.

More than 3,000 Irish patients continue to benefit, from a new evidence based intervention that predicts heart failure, prevents heart failure and protects patients from heart failure. The service has been rolled out across the East Coast and Midland regions of Ireland and is showing very positive results for patients, their families and the clinical teams involved.

This intervention developed by the dedicated team from The Heartbeat Trust, has shown a 45% reduction in new onset heart failure and significant heart dysfunction as well as a drop of 40% in the incidence of admission for other major cardiovascular events such as heart attack and stroke.

Originally published in 2013 in the Journal of the American Medical Association, this approach to care has recently been adopted into US Cardiovascular Guidelines and is now impacting the way cardiovascular care is delivered across North America. It is also adopted into Canadian guidelines and won the Royal College of General Practitioners Research Paper of the Year.

The STOP-HF intervention involves a blood test to determine the level of a specific peptide in the blood among people who are at risk for heart failure, followed by a collaborative care plan. The intervention is currently provided as a routine clinical service, supported by The Heartbeat Trust in St. Michael's Hospital Dun Laoghaire and in a limited number of general practices in the Midlands.

Heart failure affects over 90,000 people in Ireland and is one of the main reasons for visits to our overstretched and much pressurised Emergency Departments. Approximately 1 million people in Ireland are STOP-HF candidates. Rolling out the STOP-HF method at a national level to all these people would prevent 17,250 hospital admissions per year, the equivalent of 138,000 bed days and will generate the equivalent of 378 new hospital beds for the health system within five years.

We can optimize the Prediction of HF, the Prevention of HF and we can provide effective Protection for patients. We can deliver a world class standard of care and treatment, be more cost-effective and add real measurable tangible benefits for our patients and the people we serve.

The Trust has prioritised in 2018 the implementation of GDPR, the implementation of new health research legislation, the recruitment of nurses and the finalising of recruitment for our clinical trial PARABLE. In addition, the Trust assisted at the launch of the Heart Failure Network Handbook at EU Parliament in Brussels. We also participated and assisted our patients at the Government Patient Advocacy Seminar in the Department of Health in November 2018.

The Board of the Heartbeat Trust commends the internationally recognized and valued work of our Clinical and Research Team led by Professor Ken McDonald, Professor Mark Ledwidge, Dr Fiona Ryan, Director of Clinical Trials and Dr. Chris Watson. We want to specially thank General Manager, Olive Cummins, and the top class administrative and clinical support team for the prodigious amount of work they get through on behalf of the Trust. We wish to thank all our collaborators and supporters in particular UCD, St Vincent's and St Michael's Hospital Group, the Ireland East Hospital Group, the HSE, Healthy Ireland, the HRB, the Irish College of General Practice, the Royal College of Physicians in Ireland, An Croi, cardiac societies in the EU, UK, US, Canada and Australia and all participating pharma companies, medical devices and med-tech companies (Abbott, Alere, Novartis and Vifor).

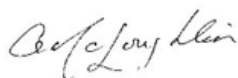
My personal thanks are due to all the Board of the Heartbeat Trust for their continuing endeavors and diligence in all they do. I want to take this opportunity in particular, to thank Adrienne Dolphin, Ryan Tubridy and Dr Enda Ryan, three retiring Board Directors, for their valued service over many years to heart failure research and treatment in Ireland and abroad.

I would also like to welcome Ray Dolan to the Board who joined us in June 2019. Ray brings extensive strategic financial expertise to The Trust.

A very special word of thanks is due to our patients, their carers and families. We are privileged to have excellent working relationships with their GPs and practice nurses. We are also particularly grateful to our excellent clinical support team for their exceptional commitment and dedication. We acknowledge our supporters and sponsors who make our work possible.

Special thanks to Health Minister Simon Harris, Ministers Daly and Byrne, their officials and all the officials at the HSE who are always courteous and helpful.

Slainte go gach eine



Dr Ambrose McLoughlin
Chairperson Board of the Heartbeat Trust
7th October 2019

General Manager's Report



Since joining The Heartbeat Trust in May 2018 I have been greatly impressed by the team's work in promoting the prevention message amongst those at risk of heart failure.

In the undertaking of this very important objective, I am fortunate to be surrounded by a team of expert clinicians, pharmacists, cardiac physiologists and support staff whose primary goals are to reduce the numbers of people presenting with heart failure and to improving the lives of those living with, or the carers of those in, heart failure.

***Olive Cummins,
General Manager, The Heartbeat Trust***

Working side by side with the fantastic team in St. Michael's Hospital Dun Laoghaire, our colleagues run the STOP HF (Screening To Prevent Heart Failure Programme) with the support of The HSE (through the St. Vincent's Hospital Healthcare Group). In addition, focussed research on-site, and in collaboration with UCD, assists us in determining innovative personalised therapeutic care plans that facilitate more positive patient outcomes.

Leaving the science to the experts!! My focus in 2018 has been on enhancing existing governance structures to support the delivery of The Trust's strategic objectives as well as integrating new GDPR and Health Research legislation into the organisation.

Recruiting and retaining medical staff, particularly nurses, is an ongoing challenge for our charity, which many of my peers identify with. Our Board are continuing to work with us to see how we can best meet these challenges within the framework of our organisation.

With almost 10,000 people being diagnosed with heart failure every year, our ambition to identify new ways of identifying those at risk of developing heart failure grows. We at The Heartbeat Trust want to continue to develop our work in this area, promoting proactive preventative screening nationwide, the utilisation of technology to keep patients out of hospitals through increased use of virtual consultations and work with our colleagues in line with the Sláintecare Programme to manage patients in their community.

We are extremely grateful to all of our collaborators, medical, scientific and pharmaceutical, in the pursuit of these aims, to the HSE for their continued support of our prevention initiatives and to the superb cohort of patients and their families who work with us every day to help advance medical science.

I feel very fortunate to work with such a talented and motivated group and feel confident that working together we can help reduce the numbers of people presenting with heart failure and through scientific innovation help empower those living with heart failure now and well into the future.

Thank you for your support of The Heartbeat Trust – it is most valued.

Olive Cummins, General Manager, The Heartbeat Trust

7th October 2019

Medical Director's Report



The past year has again been a positive one for the Heartbeat Trust. Our efforts to encourage more emphasis to be placed on prevention of heart failure, and also on the use of technology to bring specialist health care more effectively to the community continue to demonstrate progress.

Prof Ken McDonald
Medical Director, The Heartbeat Trust

The central theme of the core mission of the Trust has been to work on the development of a heart failure prevention strategy of proven clinical and economic benefit. With this achieved, the next goal has been to begin to establish this as part of the routine clinical service nationally and internationally. This last year we have made significant progress in this regard with the new General Practitioner contract formally recognising the importance of the STOP-HF strategy, and integrating this approach into the model of care in the community. This was always going to be the greatest challenge in this effort, and in achieving this milestone we recognise the hard work of all who have contributed to the STOP HF effort over the years. The next steps will be to nurture this emerging roll-out of STOP-HF nationally.

In addition to our efforts to seed STOP HF nationally, we also continue to try and improve on the clinical and cost effectiveness of this strategy. To that end, this year we have seen the product of an important collaboration between the Trust and the Mayo Clinic in the United States. A genetic analysis of the original STOP HF cohort has revealed findings that may have an important contribution to our efforts to personalise risk prediction in the population susceptible to heart failure. Further development of this concept awaits the soon-to-be completed Trust supported PARABLE project, which as a global first of type study will help direct the next steps in HF prevention.

Another central theme of the Trust has been to re-shape chronic illness management to evolve a system centered dominantly in the community. To this end the Virtual Consultation service, which provides real-time specialist advice to general practitioners on their patient's problems has been a major success. This year we have applied to Slaintécare to fund a wider application of this service and await their deliberations. The impact of the effort is gaining international recognition with presentations from our unit at the American College of Cardiology meetings earlier this year, and later this year at the British Heart Failure Association meetings.

The members of the Executive and the Board of the Heartbeat Trust would like to recognise the efforts of all staff to the above developments. We appreciate the drive and enthusiasm of all and recognise these efforts to the ongoing success of the Trust in achieving its goals.

Prof Ken McDonald, Medical Director, The Heartbeat Trust
7th October 2019

Research Director's Report



Prof. Mark Ledwidge,
Research Director, The Heartbeat Trust

For several decades, Ireland, Europe and North America have seen improvements in the rates of cardiovascular disease. This has occurred as a direct result of innovation in diagnosis, treatment and care delivery. However, over the same time, the global community has observed increased problems from obesity and diabetes. While much progress has been made, there is a growing risk that obesity and diabetes will continue to increase heart failure in the future and open new challenges for healthcare systems combatting heart disease

The St Vincent's Screening To Prevent Heart Failure (STOP-HF) Prevention Service, supported by the Heartbeat Trust, is at the forefront of care services around the world that aim to predict and prevent these rising challenges. There is a recognition that most STOP-HF patients are overweight and a large proportion have diabetes and obesity. The team is now seeking to understand the contribution of obesity and diabetes to heart damage, as well as how we might improve the care of these patients in order to prevent heart failure.

This will inevitably involve closer work with people caring for diabetes and obesity, as well as collaboration with primary care and general practice. Most people prefer to have care delivered in the community, near their homes. While out-patient waiting lists remain a problem around the world, our work continues to show how screening with inexpensive blood tests in the community can cut down on unnecessary referrals to hospital. This innovation work helps us to prioritise care to those who need it most.

As part of this innovation work, we have also carried out our first formal evaluation of the Virtual Clinic service, which supports general practice further and brings heart care closer to patients in the community. The Virtual Clinic is shown to give primary care staff rapid access to a specialist opinion. It dramatically cuts the need for hospital outpatient referral, removing roadblocks in the system to patient care. Finally, it supports patients, while building expertise and confidence amongst primary care professionals using standard video-conferencing technology. We hope to build on this innovation service over the coming year.

Our team is multidisciplinary, innovative and collaborative. We are hoping to develop the next generation of blood tests for prevention of heart failure in a collaboration with Abbott. We continue to make progress in evaluating a treatment for people who feel well but remain at risk of heart problems in the PARABLE study, supported by Novartis. We are looking at whether genes can help us direct care to those who need it most in a collaboration with colleagues in the Mayo Clinic. With European colleagues, the KardiaTool project is looking to develop a way to monitor heart risk using saliva instead of blood samples. Finally, we are examining artificial-intelligence driven patient coaching in the PASSION-HF programme. This programme aims to understand how to make Virtual Coaching accessible to patients in order to support self-care and home care.

Taking all this work together, the team is ideally placed to build a deeper understanding of the challenges of cardiovascular disease in the face of emerging epidemics of obesity and diabetes. We aim to develop the STOP-HF Prevention Service in to a next-generation-model of modern care and prevention. We hope to improve collaboration, synergies and efficiencies nationally as well as internationally. The team has begun to assemble all the available evidence around the world supporting this approach in a new review published by the Cochrane Collaboration. We hope the continuing work, supported by the Trust, will help our healthcare system direct the best of care to people and patients most in need.

Mise le meas, on behalf of all the Research Team

Prof Mark Ledwidge, Research Director, The Heartbeat Trust
7th October 2019

Heartbeat Trust Outreach Highlights 2018

The **STOP-HF Prevention Service** is a personalised approach to risk prediction and intervention developed in Ireland by the Trust in collaboration with University College Dublin, the Health Service Executive, the Health Research Board and the European Commission. It has been accepted internationally as a ground-breaking approach to Cardiovascular disease prevention. As an individualised approach to prevention, it fosters patient engagement and self-care, multidisciplinary involvement and a central role for primary-care with facilitated specialist involvement, all aimed at maintenance of well-being in the community. The project has been shown to be clinically effective and has been confirmed as being cost-effective in analyses, which were carried out with the National Pharmacoeconomic Centre.

Importantly, in 2017 the STOP-HF programme resulted in a change in the **American Heart Association / American College of Cardiology Guidelines** for Heart Failure. These Guidelines, along with Canadian Guidelines, now advocate that this approach to CV risk prediction and prevention should be the standard of care. It is vital that this novel approach be supported and developed in Ireland and internationally supported by the Trust and its major stakeholders. For example, if nationally available, the **STOP-HF Prevention Service** would reduce emergency cardiovascular admissions by more than 40% as defined by the STOP HF criteria (approximately 900,000 people), equating to a reduction in emergency CV admissions of up to 4,500 per year.

In 2018, The Trust continued to spread the STOP-HF message and expertise, through its ongoing collaboration with the Midland Diabetes Programme. This and similar community initiatives continues to be the primary focus of the Board and the Executive towards the goal of making STOP-HF available nationwide. More support is needed to extend the activities of the Trust, from its original test bed of Dublin South, Wicklow and Wexford, nationally and this will continue to be the priority in the 2018-2020 implementation phase.

The **Community Heart Failure Service** has been in evolution in the Dublin-South, Wicklow and Wexford regions for 15 years. It has evolved and tested novel strategies for management and prevention of heart failure. Now it is in a phase of implementation. The benefits for patients, carers, healthcare providers and the health system are well established. As with the STOP-HF prevention service, this strategy also has an important impact on prevention of other cardiovascular events such as stroke/transient ischemic attack, myocardial infarction and other forms of vascular disease. These proven strategies have been incorporated into services outside of the original "feasibility" projects in Carlow-Kilkenny where a Community Heart Failure Programme involving Virtual Consultation has been in operation in 2017 and continues to be supported by the Trust. The "Virtual Consult" Model, where GPs can discuss anonymised cases with specialists continues to evolve, reducing the need for outpatient review and ED referral. This model also serves as an education resource for GPs in management and a successful demonstration project for the wider healthcare system of integrated, interdisciplinary, community focused care.

The Virtual Clinic, continued to expand in 2018. Using eHealth strategies to deliver specialist heart failure care and opinion directly to GPs in the community this patient focused, educational service is run in conjunction with the Ireland East Hospital Group, based at St. Vincent's University Hospital Group and St. Michael's Hospital. Running twice weekly, the clinic continues to work, with the support of the HSE, in the Carlow/Kilkenny region basing its services in St. Luke's University Hospital Kilkenny. Ongoing evaluation continues to show important benefits for the healthcare system, patients and their carers.

The Board and Executive of the Trust aims to redirect its focus on service delivery and prevention of heart failure. As highlighted above, the implementation plan aims to transition from predominantly research grant income to more sustainable, recurring income sources. However, supporting **Research and Innovation**, particularly in partnership with Grant Funding bodies such as the Health Research Board, the European Commission and Med-Tech partners remained an on-going focus of the Trust in 2018.

In 2018, Professors McDonald and Ledwidge led work supported and funded by UCD and INTERREG in a multi-site international collaboration on the development of a therapeutic care app called "ABBY". This very exciting project has international experts from the field of medicine and ICT working together to make real change for those living with heart failure. "ABBY" aims to empower patients and care-givers to self-manage symptoms on a daily basis with user-friendly interactive screens on a handheld device / iPad. Currently it is in the early stages of development with the design of clinical pathways, it bodes well for the future of eHealth in Ireland as its ambitions are closely aligned with the objectives of the Sláintecare Action Plan – that is, of delivering the **Right Care in the Right Place at the Right Time**.



eHealth in Action - Virtual Consultation Clinic

Patient Engagement

An important initiative for The Trust in 2018 was continuing to engage with our patients in the development of their care. In November, one carer and one of our patients participated in the Government's "National Review of Cardiac Services" consultative process held in The Department of Health. This multi-stakeholder event was designed to identify the role of voluntary/patient organisations for cardiac adults now and into the future as well as identifying and consolidating patient issues as service users of specialised cardiac services.

We also attended the European Patient Innovation Summit in the Dublin Facebook headquarters in November. This was an international gathering of patient advocacy groups working together with the objectives of harnessing the power of digital technologies to empower the patient voice in addition to discussing the legislative challenges this brings.



EPIS Irish Attendees – FACEBOOK HQ

As a patient serving organisation The Trust recognises the importance of encapsulating service users feedback and real life experience in order to develop a model of care that works for them. Our work in this area is ongoing in 2019.

In September, The Trust's Chairman, Dr.Ambrose McLoughlin participated in the launch of The Heart Failure Policy Network "Handbook of Multidisciplinary and Integrated Heart Failure Care". This was a superb initiative involving multiple stakeholders with the primary ambition of creating a tool that would assist patient advocates and healthcare professionals to communicate a shared and compelling evidence-based policy case for change. A Brussels launch was an intentional action designed to promote heart failure awareness amongst MEPs and to win their support on a global stage.

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Launch of "The Handbook of Multidisciplinary and Integrated heart Failure Care" with Chairman Dr. Ambrose McLoughlin

With a keen focus on the needs of the people we serve, the Heartbeat Trust's information booklets were nominated for "Plain English Awards for Ireland", in 2018. Sponsored by Mason Hayes & Curran Solicitors and supported by the National Adult Literacy Agency, The Trust continues to be mindful of its responsibilities in the production of clear and concise information about heart failure thereby assisting inclusiveness in accessing information amongst all in society.

In recognition of the benefit of shared learning, over the course of 2018 increased efforts were made to develop our involvement with our colleagues in the research area. Staff from The Trust participated in a number of external workshops with the HRB, MRCG and IHRF in addition to additional in-house training on GDPR and Health Research legislation.

The Heartbeat Trust Company Limited by Guarantee

DIRECTORS AND OTHER INFORMATION

BOARD OF DIRECTORS

Ambrose McLoughlin (Chairperson)
Ryan Tubridy (resigned 9 February '19)
Rob Corbet
Rosemary Ryan
Francis Lynch
Enda Ryan (resigned 27 April '19)
Adrienne Dolphin (resigned 25 June '19)
Raymond Dolan (appointed 11 April '19)

SECRETARY AND REGISTERED OFFICE

Ken McDonald
3 Crofton Terrace
Dun Laoghaire
Co. Dublin

CHARITY REGISTRATION NUMBER

20056216

COMPANY REGISTRATION NUMBER

357112

CHY NUMBER

CHY 15938

AUDITORS

Mazars, Chartered Accountants & Statutory Audit Firm
Harcourt Centre, Block 3
Harcourt Road
Dublin 2

SOLICITORS

Arthur Cox
10 Earlsfort Terrace
Dublin 2

BANKERS

Ulster Bank
88 Patrick Street, Cork
Co. Cork



THE HEARTBEAT TRUST COMPANY LIMITED BY GUARANTEE

DIRECTORS' REPORT

The directors present their report and audited financial statements for the year ended 31 December 2018.

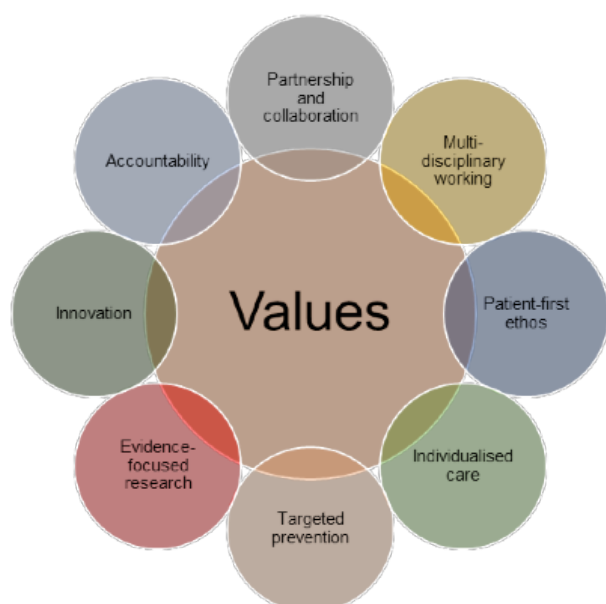
1. STRUCTURE, GOVERNANCE AND MANAGEMENT

The Heartbeat Trust, ("HBT") is a registered charity and a company limited by guarantee, which does not have a share capital. The company was established in 2004 to support advancement of health education, public awareness and research of heart failure prevention. All directors who served during the year did not have a beneficial interest in the company and have acted in a voluntary capacity. The HBT's mission is to "prevent and treat heart failure and other cardiovascular diseases through the development and deployment of novel approaches which are innovative, multi-disciplinary and supported by evidence from leading-edge research".

As of 2018, the Board is Chaired by Dr Ambrose McLoughlin and also includes Ryan Tubridy, Rob Corbet, Rosemary Ryan, Francis Lynch, Dr Enda Ryan and Adrienne Dolphin. The company obtains executive services from the HBT founders, Prof Ken McDonald (Medical) and Prof Mark Ledwidge (Research).

In April 2018, as part of the ongoing implementation of the Strategic Plan for the HBT, developed in 2015/2016 with Crowe Horwath, the Board appointed Olive Cummins as General Manager to join the HBT's Executive Leadership Team. The current Executive Leadership Team consists of Olive Cummins (General Manager), Prof Ken McDonald (Medical Director), Prof Mark Ledwidge (Research Director). None of the Executive Leadership Team are Directors of the company.

From its establishment, the HBT has committed to the principles of good governance and has adopted an overarching set of values to guide the strategic direction of the charity.



Governance of the HBT is overseen by a Board of Non-Executive Directors with an independent Chairman. The HBT is committed to complying with required legislation, codes of practice, standards and guidance required for companies limited by guarantee and for charities. The Board has agreed a plan of work to enhance its governance systems and to ensure that the risks that could threaten the delivery of the HBT's Corporate Plan are appropriately managed. Implementation of The Strategic Plan commenced following the appointment of the General Manager. Currently, the HBT receives public funds and accordingly the company has adopted an upper limit on remuneration of staff in accordance with the guidance of HSE HR Circular 016/2013.

The HBT Board met on 3 occasions in 2018 and it is intended to increase the frequency of Board meetings in 2019. The Board also intends to increase the number of Sub-Committees as currently there is only one - the Audit, Risk and Governance Sub-Committee (ARGSC), established in 2017 includes Rosemary Ryan, Francis Lynch and Rob Corbet.

THE HEARTBEAT TRUST COMPANY LIMITED BY GUARANTEE

DIRECTORS' REPORT

1. STRUCTURE, GOVERNANCE AND MANAGEMENT (*continued*)

As part of enhancing structures at Board level and in order to provide greater clarity for the Trustees, the formation of a Board Manual is ongoing. This Manual will not only provide a detailed overview of HBT for new Board Members, but shall also provide clear structure for existing Trustees on specific roles and responsibilities at both Board and sub-committee level. A draft policy on Board Rotation and Succession Planning is currently under review by the Board.

Rotation of Board Members is a vital step in providing for fresh ideas and new skills and energy to join the organisation, whilst allowing existing Board Members the opportunity to move on to other challenges.

Best practice involves the rotation of Board Members following 3 year periods. Within the HBT we are fortunate that many of our Trustees are happy to remain in-situ for timeframes in excess of this. As part of a review of the HBT governance for the charity ongoing in Q4 2019, the HBT is committed to attracting additional expertise to the Board, identifying skills that could further assist achievement of the strategic objectives of the organisation.

Since its inception, The Trust has recruited Board members primarily through the professional peer networks developed by the Board members and founders. Once a potential board member is identified and formally briefed by a member of the Executive, then he/she attends part of a Board meeting where they are formally proposed and seconded.

Future recruitment for governing body members must allow:

- ▶ Time to go through a proper formalised process of recruitment and selection
- ▶ Time to circulate information to the stakeholders and the wider community that the organisation is seeking new people
- ▶ Opportunity to get the best possible mixture of representation, diversity, skills, knowledge, attitudes and experience
- ▶ Staggered replacement, to ensure a level of business continuity

Recruiting additional Trustees remains a priority for both the Board and the Executive Leadership Team into 2019 and 2020.

The HBT Board ensures that the organisation adheres to its founding documents and the achievement of its charitable purpose for the benefit of the public. This refers to driving the direction of the charity to ensure the achievement of the strategic objectives. For The Trust, these two priorities are prevention of heart failure, along with the roll-out of the HBT STOP HF programme nationwide and the creation of a sustainable income stream to support these objectives.

The Executive Leadership Team is responsible for the day to day operations of the charity ensuring that objectives are being achieved and that the strategic plan is being delivered upon. In addition, the Trust's ARGSC sub-committee provides oversight, guidance and support directly to the Executive Leadership Team on areas such as risk, compliance, financial planning and data protection. The Executive Leadership Team is also very fortunate to have the Trustees available outside of quarterly board meetings if opinion, support or guidance is required.

THE HEARTBEAT TRUST COMPANY LIMITED BY GUARANTEE

DIRECTORS' REPORT

1. STRUCTURE, GOVERNANCE AND MANAGEMENT (*continued*)

In 2018, after a competitive service tender process, the ARGSC appointed Mazars for a period of 3 years to provide Financial Auditing Services and to complete the move to full reporting of Financial Statements in accordance with the Charity SORP.

A number of recommendations have been adopted by the Board as part of the 2018 Annual Review in order to strengthen the financial base of the organisation. This includes the development of updated travel and subsistence policies, quarterly review of the Risk Register, update of the financial policies and procedures, development of a Terms of Reference policy for the Board and Subcommittees and formalising contracts for all Staff, Executives and Contractors.

In addition, the HBT welcomed the launch of the Charities Governance Code by the Charities Regulatory Authority on 7 November 2018. The HBT commits to ensuring compliance with all governance requirements outlined and looks forward to working with the Authority over the coming years to continue to develop its controls supported by the expertise of the Authority. As 2019 progresses the Board and Executive Leadership Team will focus on strengthening the HBT finances through the development of a funding plan linked to the strategic objectives of the HBT and on the management of risks that could prevent the delivery of our strategic plan.

2. OBJECTIVES AND ACTIVITIES

The principal activities of the company are to provide for the advancement of education in the area of health by helping to create public awareness of early stage heart failure care and prevention through the provision of a screening programme and educational services and to conduct research activity into the causes and prevention thereof.

The Heartbeat Trust's services are based in St. Vincent's Hospital, Dublin, St Michael's Hospital, Dun Laoghaire and increasingly through service delivery in the community (East Coast and Midlands). The HBT currently employs 13 staff (14 in the financial reporting year to December 2017).

THE HEARTBEAT TRUST COMPANY LIMITED BY GUARANTEE

DIRECTORS' REPORT

2.OBJECTIVES AND ACTIVITIES (*continued*)

The Board and Executive of the HBT, in accordance with the Strategic Review has previously adopted the following 5 objectives for the period 2018 to 2020.

- i. The HBT will continue to focus on its core mission. It will remain as the national centre of excellence for the prevention and treatment of heart failure, and will work towards a 50% reduction in the incidence of heart failure across Ireland by 2030.
- ii. It will strengthen the organisational capacity of the Heartbeat Trust to manage its work professionally, effectively and efficiently.
- iii. The HBT will put in place an enhanced level of corporate governance in line with best practice and recent regulatory requirements
- iv. Strategic partnerships with other organisations will be developed in order to help further the mission of the HBT
- v. The HBT will move towards managed growth and expansion of our services as we continue to strengthen our organisation

With the ongoing support of the HSE, our excellent clinical and scientific collaborators and our industry partners we are making some progress towards the achievement of our goal to reduce the incidence of heart failure across Ireland by 50% by 2030.

Whilst progress has not been as fast we would like, the investment by The DoH in The Slaintécare Implementation Programme, the new GP contract which focuses on the prevention message and community diagnostics, and the ongoing funding of the Virtual Consult model, is encouraging. The combination of support is allowing the HBT to identify increasing numbers of patients with risk factors before the onset of heart failure and curb waiting times at OPD through its work in community diagnostics.

A large focus for the General Manager was in the area of organisational capacity and employee wellbeing. Operating within a very competitive market for nursing staff, the development of a formalised training and educational support policy has proven to be attractive to potential and existing staff, aiding in recruitment and retention. Adopting a more innovative approach to recruitment, empowering colleagues to grow and develop and the availability of mentoring from industry leaders has greatly assisted in building a team that the organisation is proud of and one that puts patient care to the fore.

Corporate governance remains a priority. During 2018, considerable work has been undertaken in the formalisation of existing behaviours. Extensive policies have been developed to support the Board, its Executive and the clinical and administrative teams to achieve The Trusts objectives. To remain effective however, governance structures need to continue to evolve, be audited and fluid enough to react to changes in the operational environment. The HBT is very fortunate to have industry leaders in the area of risk and governance on its board so it will be an ongoing area of development.

THE HEARTBEAT TRUST COMPANY LIMITED BY GUARANTEE

DIRECTORS' REPORT

2. OBJECTIVES AND ACTIVITIES (*continued*)

Collaboration is critical for an organisation with ambition to change public health outcomes. Shared resources and intellect can yield faster results for patients. Partnering with scientific, academic and industry leaders continues to provide a means for the HBT to further its mission and improve therapeutic care for those at risk of developing heart failure or those living with heart failure. Vital in this relationship, are the rights of the patient. Moving from 2018 into 2019, patient advocacy remains a priority for The Trust. Engagement with our colleagues in Croí, The International Heart Health Hub (iHHUB) and Medical Research Charities Group (MRCG) has proven invaluable to furthering this agenda. To cement patient advocacy into the mindset of HBT and all its management, the HBT is committed to having patient representation at Board level over the coming 12 months.

In line with our Strategic Review and the ambitions outlined above, we will continue to grow and develop our advocacy and education services. To do this we will need to build on our existing relationships with the DoH, HSE, ICGP, scientific and research colleagues but also strengthen the organisation's brand identity, which is a weakness to date. Some progress has been made in this area in the latter half of 2019 however this remains an important enabler for the HBT to promote and grow its services for the public. It will therefore require investment of both physical, financial and human resources in the future.

Following a review of the activities of the company for the year 2018 the directors are satisfied that the company continues to achieve its aims and objectives.

3. FINANCIAL REVIEW

This Annual Report covers the financial year to December 2018. During this year, the company showed another year of growth in income of just over 11% to €1,021,069. This was largely through unrestricted grant income and donations. Of the total income, €323,281 is restricted income related to the St Vincent's Screening TO Prevent Heart Failure project and the balance is largely unrestricted income or grant/donations to support the charitable objectives of the company.

Direct charitable expenditure increased on a comparable basis by just over 4% from €933,501 to €973,712. The main reason for increased expenditure was due to the hire of a General Manager and additional staffing required for the ongoing PARABLE study.

The Trust receives public funds and accordingly the company remunerates staff in accordance with the guidance of HSE HR Circular 016/2103. No directors of the company received any remuneration or expenses during the year or during the previous year. During the reported year, the average number of employees decreased from 14 to 13 and the company retains three Senior Executives, Prof Ken McDonald as Medical Director, Prof Mark Ledwidge as Research Director and Olive Cummins, General Manager. None of these are a director of the company. The HBT has maintained a register of Directors and Officers lobbying in accordance with the Lobbying Act. No political donations are made from the HBT.

THE HEARTBEAT TRUST COMPANY LIMITED BY GUARANTEE

DIRECTORS' REPORT

3. FINANCIAL REVIEW (*continued*)

Reserves Policy

In 2018, the Board of Directors examined the charity's requirement for reserves in light of the main risks to the organisation and instituted a reserves policy to provide a prudent degree of resilience in the unlikely event of a significant adverse development. This policy is based on a realistic assessment of need and stipulates:

- i. the reasons why the HBT needs to hold reserves;
- ii. the level of reserves required by the HBT;
- iii. what steps are being taken to maintain reserves at the agreed level; arrangements for monitoring and reviewing the policy

It is policy to implement an annual review to ensure the actual level of reserves meets with the policy requirements above and a fundamental review of the appropriateness of the HBT's reserves policy will be undertaken on a three-yearly basis (next review 2022).

During the reporting financial year, the HBT's net Unrestricted Funds increased by €47,357 and the Reserves position of the charity on 31 December 2018 is as follows:

Restricted Funds	€nil
Unrestricted Fund – General	<u>€145,904</u>
Unrestricted Fund – Designated	€nil
Total Reserves	<u>€145,904</u>

While the prospects for continued grant funding as well as service development income remains satisfactory in the medium term, the level of Unrestricted Funds, at €145,904 on 31st December 2018, is sufficient to support just 2 months core activity.

The conclusion of the 2019 review, due to the high dependence of the HBT on fixed term grant funding, is to work towards maintaining a level of Unrestricted Funds which is adequate to support 6 months' expenditure on core activities, for the current year this equates to approximately €360k. Furthermore, these funds should be maintained in a readily realisable (free) form. Finally, increasing Unrestricted Funds requires alternative, recurring, sustainable sources of (non-grant) funding. This is the main financial goal of the organization, linked to the core mission of the HBT in prevention and treatment of heart failure.

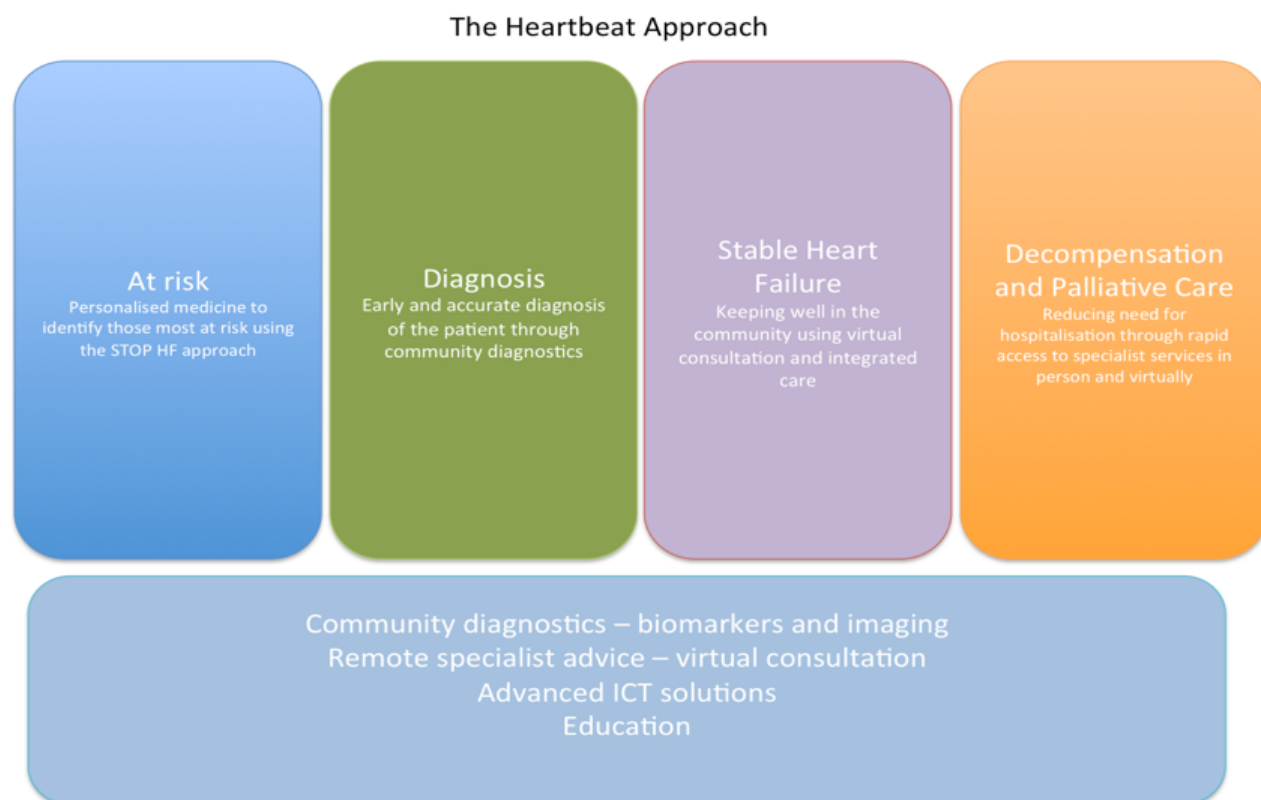
THE HEARTBEAT TRUST COMPANY LIMITED BY GUARANTEE

DIRECTORS' REPORT

4. ACHIEVEMENTS AND PERFORMANCE

The core mission of the Heartbeat Trust is the development of services for the Prevention of Heart Failure. The HBT has continued to support the ground-breaking STOP-HF Prevention Service, which uses low-cost diagnostics in the community to identify people who are at highest risk of developing heart failure over the next 5 years.

Increasingly, the Heartbeat Approach consists of an internationally leading focus on the prevention and management of heart failure and other cardiovascular events in the community. Prof McDonald's ongoing work with The HSE and The Slaintécare Programme Implementation Team has helped further these ambitions throughout 2018 and into 2019. The Trust's aims to support patients, clinicians and other healthcare providers in the community with this approach is furthered with the announcement of the new GP Contract on 6 April 2019. This allows the integrated management of multiple cardiovascular risk factors and conditions in a unified structure to prevent heart failure in high-risk individuals. It uses community diagnostics, remote specialist advice involving innovative information technology solutions and patient education. It can also be integrated into the predominantly community management of the stable and decompensated heart failure patient in a manner which keeps people well in the community for as long as possible.



THE HEARTBEAT TRUST COMPANY LIMITED BY GUARANTEE

DIRECTORS' REPORT

5. PRINCIPAL RISKS AND UNCERTAINTIES

The over-dependence by the HBT on grant income remains a risk. This is a priority for the Board and Executive Team. The outlook for grant income since the year end in 2018 has remained positive, particularly with STOP-HF related activities, community initiatives for the development of virtual clinics and the PARABLE study, which nears completion of recruitment. However, the medium and long-term delivery of the Strategic Plan requires better fundraising and more sustainable, service based income linked to the core mission of the HBT.

The implementation of a Multi-tiered Fundraising Strategy to support The Trust's strategic objectives is a vital step in the lifespan of the organisation. This will allow the Trust to broaden its funding base by adopting a diverse range of approaches, assist in building public awareness to the heart failure prevention message and help educate those most at risk.

The attraction and retention of skilled staff remains both a challenge and a risk to the charity as it is unable to provide the extensive packages of public service, academic or private clinical institutions. To overcome this, The Trust seeks to create a learning environment where staff can be mentored and encouraged to excel in their chosen scientific field supported by industry leaders. Contingency planning for future requirements continues to be a feature in the recruitment plan and this is an ongoing process under discussion with the Board of HBT.

Within the research environment, GDPR compliance and maintaining patient confidentiality remain critical components to the professional ethos of the organisation. Failure to instil the highest level of data security is a major risk to all clinical research organisations. This is a major ongoing priority for The HBT. Strict procedures assist us support this objective. All documentation produced for use within HBT goes through a rigorous ethical review by St. Vincent's Hospital Ethics Committee in advance of implementation. All patients seen through our STOP HF programme or partaking in our research programmes are consented in advance of any clinical discussions. Compliance workshops have been undertaken with staff during 2018 with senior leaders partaking in external training so that learnings can be communicated throughout The Trust.

Our Risk Register continues to provide a focus for the Executive Team and is fluid enough to allow for its evolution in an ever-changing research environment.

It is our intention to build upon existing strengths and work to create a sustainable business model that allows the charity grow and develop so that it can continue to spread its life-saving prevention message nationally and internationally.

Risk Management

The Executive Team of the HBT has an established Risk Register that is continually evaluated. The management of risk is discussed at quarterly board meetings and it is the ambition of the Board and its Executive team to ensure it is fluid enough to adapt to the ever-changing legislative research environment yet focussed enough to allow for clear direction.

The Risk Management Policy provides guidance regarding the management of risk to support the achievement of the corporate objectives, protect staff and business assets and to ensure financial sustainability.

THE HEARTBEAT TRUST COMPANY LIMITED BY GUARANTEE

DIRECTORS' REPORT

5. PRINCIPAL RISKS AND UNCERTAINTIES (*continued*)

Risk Management (*continued*)

It removes any ambiguity around best practice and supports the charity in achieving its goals whilst providing a framework to manage risks that may affect patient care or the continuity of the business

Risk management is a continual process. In order to be truly successful it needs to be undertaken on a constant basis. The Heartbeat Trust commits to review the Risk Management Policy annually, providing an opportunity for the Board / Executive Team to re-assess risks in an ever-changing environment allowing them to plan and adapt its risk management strategy accordingly.

Risk Reporting

The Executive Team of the HBT has an established Risk Register that is continually evaluated. The management of risk is discussed at quarterly board meetings and it is the ambition of the Board and its Executive team to ensure it is fluid enough to adapt to the ever-changing legislative research environment yet focussed enough to allow for clear direction.

The Risk Management Policy provides guidance regarding the management of risk to support the achievement of the corporate objectives, protect staff and business assets and to ensure financial sustainability.

It removes any ambiguity around best practice and supports the charity in achieving its goals whilst providing a framework to manage risks that may affect patient care or the continuity of the business.

Risk management is a continual process. In order to be truly successful it needs to be undertaken on a constant basis. The Heartbeat Trust commits to review the Risk Management Policy annually, providing an opportunity for the Board / Executive Team to re-assess risks in an ever-changing environment allowing them to plan and adapt its risk management strategy accordingly.

Risk Reporting

In order for the Risk Management Policy to be truly effective, commitment must be made at all levels to comply with the risk reporting procedures put in place within the organisation. To this end it is proposed that one following be adopted:

- GM in conjunction with the Executive Team prepares the risk register for review by the Audit, Risk and Governance Sub-committee (ARGSC) on a quarterly basis
- This review allows the risks to be prioritised for consideration and an action plan is drawn up by the GM
- This Action Plan will outline the risk, level of urgency required to minimise the risk, the resources required to mitigate it and shall nominate an individual responsible to action
- The ARGSC then update the Board on critical areas on the Risk Register at the next scheduled board meeting
- Risk Register Reports should be reviewed by the Board quarterly.

Risk Management Performance

Evaluating risk management performance is critical to ensuring the reduction of risks and ultimately bolsters the operational strength of the business and its achievement of strategic objectives.

THE HEARTBEAT TRUST COMPANY LIMITED BY GUARANTEE

DIRECTORS' REPORT

6. FUTURE DEVELOPMENTS

The objectives and operation of the Heartbeat Trust have been strengthened by the overall framework of the Heartbeat Trust Strategic Plan 2018 to 2022 (see Appendix). The implementation of this Strategic Plan will be overseen by the Board of the HBT, and implemented by the Executive Management and General Manager. The implementation plan will provide the basis for accountability for performance within the Heartbeat Trust and through the Executive Team to the Board. Progress on the agreed actions is monitored on a quarterly basis by the Board.

To date, the Board reports progress on implementation of the Strategic Plan 2018-2022 in accordance with 5 strategic priorities:

Priority 1. Building on current strength

The HBT continues to deliver a high level of specialist, structured care and invests in innovative techniques and methods (See Medical Director and Research Director's Report above). Extending the reach of the prevention screening programme STOP-HF nationally continues to be a challenge however we remain positive that the financial support of the new GP contract through the Slaintécare Programme Team and its focus on community diagnostics in 2019 will assist us develop and promote this life-saving message to other provinces.

Priority 2. Strengthening our capacity

It is vital that the HBT continues to strengthen its capacity. Ongoing challenges remain in the area of nursing recruitment and The Trust continues to develop its organisation as a first class training environment that supports life-long learning and those interested in making a difference to those at risk of, or living with, heart failure. Our strategy is to hire the best, provide them with a supportive educational environment and allow them to flourish so that patients can benefit from their expertise and experience. Reviews of the organisational structure, together with continuous assessment of inhibiting factors took place during 2018 allowing the Executive Team assess where the organisation's vulnerabilities lie. This in turn allows The Trust to address issues before they become performance limiting factors.

Priority 3. Strengthening our governance

Once again the HBT has built on the important progress in 2017 in terms of strengthening our governance. The HBT completed in 2017 its Strategic Review with Crowe Horwath (See Appendix for details) and the CRA Governance Code. The HBT's Governance Agenda is being developed, while recognising that the HBT must operate with limited administrative and management resources. In this regard, the General Manager continues to work to build capacity and expertise in the organisation.

Assessments of skills gaps are ongoing and priorities have been given to:

- Broaden the skills range of the board to include – finance, marketing, medical and others as appropriate;
- The ongoing development of a governance structure which includes a small number of sub-committees in areas such as finance, audit, risk, fundraising, HR/remuneration;
- To develop a performance reporting framework and structure in line with our strategy and annual business plans;
- To ensure that all aspects of our governance – structures, policies, procedures, reporting – are fully in line with international best practice and with the CRA Governance Code.

THE HEARTBEAT TRUST COMPANY LIMITED BY GUARANTEE

DIRECTORS' REPORT

6. FUTURE DEVELOPMENTS (*continued*)

Priority 3. Strengthening our governance (continued)

The HBT will continue to put governance arrangements in place, which are best in class and fully in line with the expectations of our strategic partners, funders and other stakeholders. In addition, appropriate governance structures will be strengthened to ensure transparent and open decision-making, reporting, and responsiveness.

Priority 4. Developing partnerships

As described above, the HBT has built on the important progress achieved in 2017. The STOP-HF Prevention Service continues to evolve in collaboration with University College Dublin, the Health Service Executive, the Health Research Board and the European Commission. In addition, the HBT is working closely with the Midlands Diabetes Programme and general practitioners in Dublin South, Wicklow and Wexford. The Community Heart Failure Service has been in evolution in the Dublin-South, Wicklow and Wexford regions for 15 years and is now working in Carlow and Kilkenny where a Community Heart Failure Programme involving Virtual Consultation has been in operation in 2018 and continues to be supported by the HBT. The virtual clinic is an educational and service tool run in conjunction with the Ireland East Hospital Group, based at St Vincent's University Hospital Group and St Michael's Hospital. Research and innovation in partnership with Grant Funding bodies such as the Health Research Board, the European Commission, INTERREG and Med-Tech partners remained an on-going focus of the HBT in 2018.

Priority 5: Future Growth and Expansion

With the first full year of implementation of the Strategic Plan for the HBT approaching, the Governance and Management of the HBT is being continually strengthened. However, it is clear that future growth will be achieved by ensuring that there is a stable financial base in the HBT. This will be delivered by developing new, sustainable service income streams linked to the core mission of the HBT. This mission, to prevent and treat heart failure and other cardiovascular diseases through the development and deployment of the innovative, multi-disciplinary STOP-HF service.

In 2019, the following five key strands will continue to guide the delivery of this core mission:



The HBT will continued to develop early warning and prevention programmes for people with heart failure



It will increase public awareness of the importance of heart failure prevention



Work will continue to reduce unnecessary outpatient and hospital visits by providing specialist services in the patient's local community



The HBT will use low cost, mobile communication technologies to link patients with its services



Audit and research will inform service delivery and leadership in heart failure prevention



Central to this work will be stronger collaboration between hospitals, community care, healthcare professionals, patients and caregivers.

THE HEARTBEAT TRUST COMPANY LIMITED BY GUARANTEE

DIRECTORS' REPORT

6. FUTURE DEVELOPMENTS (*continued*)

Once again, the Heartbeat Trust is particularly indebted to its staff and patients as well as their caregivers and families. In their name, the HBT will continue to predict and prevent heart failure by building knowledge, services and partnerships in Ireland and internationally.

7. EVENTS SUBSEQUENT TO THE YEAR END

There have been no significant events affecting the company since the year end that would require adjustment to these financial statements.

8. POLITICAL DONATIONS

The HBT did not make any political donations during the reporting year, (2018: €nil).

9. DIRECTORS AND SECRETARY

The names of the individuals who are directors at any time during the year ended 31 December 2018 and at the date of signing the report are set out below.

Ambrose McLoughlin
Rob Corbet
Rosemary Ryan
Francis Lynch
Raymond Dolan

Company Secretary
Ken McDonald

10. ACCOUNTING RECORDS

The measures that the directors have taken to secure compliance with the requirements of Sections 281 to 285 of the Companies Act 2014 with regard to the keeping of the accounting records, are the employment of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The accounting records are held at the company's business premises, 3 Crofton Terrace, Dun Laoghaire, Co. Dublin.

11. STATEMENT ON RELEVANT AUDIT INFORMATION

In the case of each of the persons who are directors at the time this report is approved in accordance with section 332 of the Companies Act 2014:

- (a) so far as each director is aware, there is no relevant audit information of which the company's statutory auditors are unaware, and
- (b) each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's statutory auditors are aware of that information.

THE HEARTBEAT TRUST COMPANY LIMITED BY GUARANTEE

DIRECTORS' REPORT

12. AUDITORS

Mazars, Chartered Accountants and Statutory Audit Firm, have expressed their willingness to continue in office in accordance with the provision of Section 383(2) of the Companies Act 2014.

On behalf of the Board of Directors, Ambrose McLoughlin, Francis Lynch

THE HEARTBEAT TRUST COMPANY LIMITED BY GUARANTEE

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable Irish law and regulations.

Irish company law requires the directors to prepare financial statements for each financial year. Under the law, the directors have elected to prepare the financial statements in accordance with the Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council. Under the law, the directors must not approve the financial statements unless they are satisfied they give a true and fair view of the assets, liabilities and financial position of the company as at the financial year end and of the Statement of Financial Activities of the company for the financial year and otherwise comply with the Companies Act 2014.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reason for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and Statement of Financial Activities of the company to be determined with reasonable accuracy, enable them to ensure that the financial statements comply with the Companies Act 2014 and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the Republic of Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the Board of Directors, Ambrose McLoughlin, Francis Lynch

THE HEARTBEAT TRUST COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HEARTBEAT TRUST COMPANY LIMITED BY GUARANTEE

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of The Heartbeat Trust Company Limited by Guarantee for the year ended 31 December 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including the summary of significant accounting policies set out in note 3. The financial reporting framework that has been applied in their preparation is Irish Law and FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 December 2018 and of its surplus for the year then ended;
- have been properly prepared in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), 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

We have nothing to report in respect of the following matters in relation to which ISAs (Ireland) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate;
- or the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

THE HEARTBEAT TRUST COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HEARTBEAT TRUST COMPANY LIMITED BY GUARANTEE

Report on the audit of the financial statements (*continued*)

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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 2014

Based solely on the work undertaken in the course of the audit, we report that:

- in our opinion, the information given in the directors' report is consistent with the financial statements; and
- in our opinion, the directors' report has been prepared in accordance with the Companies Act 2014.

We have obtained all the information and explanations which we consider necessary for the purposes of our audit. In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited and financial statements are in agreement with the accounting records.

Matters on which we are required to report by exception

Based on the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the directors' report. The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by Sections 305 to 312 of the Act are not made.

We have nothing to report in this regard.

THE HEARTBEAT TRUST COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HEARTBEAT TRUST COMPANY LIMITED BY GUARANTEE

Respective responsibilities

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement as set out on page 27, the directors 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 they 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 directors are responsible for assessing the 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 management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's 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 an auditor's report 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 (Ireland) 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.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at: [http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description of auditors responsibilities for audit.pdf](http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf). This description forms part of our auditor's report.

The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's 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 company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

*Aedin Morkan for and on behalf of Mazars, Chartered Accountants & Statutory Audit Firm, Harcourt Centre Block 3
Harcourt Road, Dublin 2*

THE HEARTBEAT TRUST COMPANY LIMITED BY GUARANTEE

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING AN INCOME AND EXPENDITURE ACCOUNT)

		Restricted Funds	Unrestricted Funds	Year ended 31 December 2018	Restricted Funds	Unrestricted Funds	Year ended 31 December 2017
	Note	€	€	€	€	€	€
Income and endowments from:							
Donations and legacies		-	6,751	6,751	-	77,473	77,473
Charitable activities		323,381	689,009	1,012,390	323,381	508,863	832,244
Other trading activities		-	-	-	-	6,000	6,000
Other income		-	1,928	1,928	-	969	969
Total income and endowments	5	323,381	697,688	1,021,069	323,381	593,305	916,686
Expenditure on:							
Charitable activities		324,293	649,419	973,712	328,045	605,456	933,501
Total expenditure	6	324,293	649,419	973,712	328,045	605,456	933,501
Net income/(expenditure)		(912)	48,269	47,357	(4,664)	(12,151)	(16,815)
Transfers between funds		912	(912)	-	4,664	(4,664)	-
Net movement in funds		-	47,357	47,357	-	(16,815)	(16,815)
Total funds brought forward	16	-	98,547	98,547	-	115,362	115,362
Total funds carried forward	16	-	145,904	145,904	-	98,547	98,547

There were no other recognised gains or losses in the current or prior year other than those included in the Statement of Financial Activities. All income and expenditure derive from continuing activities. The notes on pages 34 to 45 form part of these financial statements.

THE HEARTBEAT TRUST COMPANY LIMITED BY GUARANTEE

STATEMENT OF FINANCIAL POSITION

		31 December 2018	31 December 2017
	Note	€	€
FIXED ASSETS			
Tangible assets	13	<u>68,175</u>	<u>12,255</u>
CURRENT ASSETS			
Debtors	14	237,865	110,382
Cash and cash equivalents		<u>22,329</u>	<u>105,988</u>
		<u>260,194</u>	<u>216,370</u>
CREDITORS			
Amounts falling due within one year	15	<u>(182,465)</u>	<u>(130,078)</u>
NET CURRENT ASSETS		<u>77,729</u>	<u>86,292</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>145,904</u>	<u>98,457</u>
THE FUNDS OF THE CHARITY:			
Unrestricted funds	16	<u>145,904</u>	<u>98,457</u>
		<u>145,904</u>	<u>98,457</u>

The notes on pages 34 to 45 form part of these financial statements.

On behalf of the Board of Directors, Ambrose McLoughlin, Francis Lynch

THE HEARTBEAT TRUST

COMPANY LIMITED BY GUARANTEE

STATEMENT OF FINANCIAL POSITION

	31 December 2018	31 December 2017
	€	€
Cash outflows from operating activities		
Net movement in funds	47,357	(16,815)
Adjustments for:		
Depreciation	20,030	4,405
Interest payable	422	-
Movement in trade and other receivables	(127,483)	(21,245)
Movement in trade and other payables	<u>52,387</u>	<u>(6,425)</u>
Net cash flows used in operating activities	<u>(7,287)</u>	<u>(40,080)</u>
Cash flows used in investing activities		
Purchase of tangible fixed assets	<u>(75,950)</u>	<u>-</u>
Net used in investing activities	<u>(75,950)</u>	<u>-</u>
Cash flows used in financing activities		
Interest element of finance lease rental payments	<u>(422)</u>	<u>-</u>
Net cashflows used in financing activities	<u>(422)</u>	<u>-</u>
Net decrease in cash and cash equivalents	(83,659)	(40,080)
Cash and cash equivalents at the beginning of the year	<u>105,988</u>	<u>146,068</u>
Cash and cash equivalents at the end of the year	<u>22,329</u>	<u>105,988</u>

THE HEARTBEAT TRUST COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

These financial statements comprising the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and the related notes constitute the individual financial statements of The Heartbeat Trust Company Limited by Guarantee for the financial year ended 31 December 2018.

The Heartbeat Trust Company Limited by Guarantee is a private company limited by guarantee and is a public benefit entity incorporated in the Republic of Ireland. The registered office and principal place of business is 3 Crofton Terrace, Dun Laoghaire, Co. Dublin. The nature of the company's operations and its principal activities are set out in the Directors' Report.

2. STATEMENT OF COMPLIANCE

The financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard Applicable in the UK and Republic of Ireland" ("FRS 102") and the Companies Act 2014. The financial statements have also been prepared in accordance with Statement of Recommended Practice (SORP) (Revised 2015) "Accounting and Reporting by Charities".

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

a) Basis of preparation

The financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard Applicable in the UK and Republic of Ireland" ("FRS 102") and the Companies Act 2014. The financial statements have also been prepared in accordance with Statement of Recommended Practice (Charities SORP (FRS 102)), issued by the Charity Commissioners for England and Wales and the Office of the Scottish Charity Regulator who are recognised by the UK Financial Reporting Council (FRC) as the appropriate body to issue SORPs for the charity sector in the UK. Financial reporting in line with SORP is considered best practice for charities in Ireland. As noted above, the directors consider that the adoption of the SORP requirements is the most appropriate accounting to properly reflect and disclose the activities of the organisation. The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value.

b) Income

Income from grants is recognised when the Company has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Voluntary income including donations, gifts and legacies are recognised where there is entitlement, receipt is probable, and the amount can be measured with sufficient reliability. Such income is only deferred when: the donor specifies that the grant or donation must only be used in future accounting periods; or the donors have imposed conditions which must be met before the charity has unconditional entitlement.

THE HEARTBEAT TRUST COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

3. SUMMARY OF SIGNIFICANT Accounting policies (*continued*)

Income is analysed as Restricted or Unrestricted. Restricted funds represent income recognised in the financial statements, which is subject to specific conditions imposed by the donors or grant making institutions.

Unrestricted funds represent amounts which are expendable at the discretion of the company, in furtherance of the objectives of the company. Such funds may be held in order to finance working capital or capital investment.

c) *Expenditure*

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Expenditure on charitable activities includes the costs associated with supporting specialist clinical and research services in heart failure and heart failure prevention and their associated support costs.
- Support costs arise from those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include administration costs, finance, personnel, IT, payroll and governance costs which support the Company's activities. Support costs are allocated on an estimated usage basis.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

d) *Employee benefits*

Short term benefits

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the financial year. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

THE HEARTBEAT TRUST COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

3. SUMMARY OF SIGNIFICANT Accounting policies (*continued*)

e) Foreign currencies

Functional currency and presentation currency (continued)

The financial statements are measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency). The financial statements are presented in Euro ("€") which is also the functional currency of the company.

Transactions and balances

Transactions in foreign currencies are initially recorded in the entity's functional currency by applying the spot exchange rate ruling at the date of the transaction or an average rate where this rate approximates the actual rate at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the Statement of Financial Activities.

f) Taxation

The company is a registered charity and is not liable to income tax or corporation tax.

g) Tangible Fixed Assets & Depreciation

Tangible fixed assets are stated at cost (or deemed cost) less accumulated depreciation. Cost includes the original purchase price and costs directly attributable to bringing the asset to its working condition for its intended use. Depreciation is calculated to write off the cost of fixed assets over their useful lives at the following annual rates:

Medical equipment	20% per annum
Fixtures, fittings and equipment	20% per annum
Computer equipment	20% per annum

The carrying values of tangible fixed assets are reviewed annually for impairment in periods if events or changes in circumstances indicate the carrying amount may not be recoverable.

Derecognition

Tangible fixed assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the Statement of Financial Activity.

h) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

THE HEARTBEAT TRUST COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

3. SUMMARY OF SIGNIFICANT Accounting policies (*continued*)

i) Cash and cash equivalents

Cash consists of cash on hand and demand deposits. Cash equivalents consist of short term highly liquid investments that are readily convertible to known amounts of cash that are subject to an insignificant risk of change in value.

j) Creditors and Provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

k) Financial instruments

Financial assets

Basic financial assets, including trade and other receivables and cash and bank balances are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment loss is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss. Financial assets are derecognised when the contractual rights to the cash flows from the asset expire or are settled; or substantially all the risks and rewards of the ownership of the asset are transferred to another party; or control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions on transfer.

Financial liabilities

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

THE HEARTBEAT TRUST COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*CONTINUED*)

Financial liabilities (continued)

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

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Offsetting

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

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The company made judgements, estimates and assumptions about the carrying amounts of assets and liabilities that were not readily apparent from other sources in the application of the company's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors that are considered to be reasonable under the circumstances. Actual results may differ from the estimates.

The directors consider the accounting estimates and assumptions below to be its critical accounting estimates and judgements:

Going Concern

The directors have prepared budgets and cash flows for a period of at least twelve months from the date of approval of the financial statements which demonstrate that there is no material uncertainty regarding the company's ability to meet its liabilities as they fall due, and to continue as a going concern. On this basis the directors consider it appropriate to prepare the financial statements on a going concern basis. Accordingly, these financial statements do not include any adjustments to the carrying amounts and classification of assets and liabilities that may arise if the company was unable to continue as a going concern.

THE HEARTBEAT TRUST

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

5. INCOME AND ENDOWMENTS

INCOME AND ENDOWMENTS	2018 €	2017 €
a) Donations		
Donations	<u>6,751</u>	<u>77,473</u>
	<u>6,751</u>	<u>77,473</u>
b) Grant Income		
Service Level Agreements (Restricted funds)		
HSE (St. Vincent's University Hospital – Programme Facilitator)	<u>323,381</u>	<u>323,381</u>
	<u>323,381</u>	<u>323,381</u>
Other Grants		
Novartis	525,319	290,173
Abbott	60,000	80,000
St Vincent's University Hospital	30,690	27,459
Alere	40,000	40,000
Vifor	15,000	-
University College Dublin (UCD)	-	35,545
MSD	18,000	31,073
Almac Clinical Trials Limited	-	1,397
Foundry Innovation	<u>-</u>	<u>3,216</u>
	<u>689,009</u>	<u>508,863</u>
c) Other charitable income		
Other income	1,928	969
Other trading activities	<u>-</u>	<u>6,000</u>
	<u>1,928</u>	<u>6,969</u>
Total income from charitable activities	<u>1,021,069</u>	<u>916,686</u>

All income is derived in the Republic of Ireland.

THE HEARTBEAT TRUST

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

6. EXPENDITURE

EXPENDITURE	Direct costs 2018 €	Support costs 2018 €	Total 2018 €
Charitable activities			
STOP-HF Community and outreach Programme	324,293	-	324,293
STOP-HF Medical Service and Research	497,919	151,500	649,419
	<u>822,212</u>	<u>151,500</u>	<u>973,712</u>
	Direct costs 2017 €	Support costs 2017 €	Total 2017 €
Charitable activities			
STOP-HF Community and outreach Programme	328,045	-	328,045
STOP-HF Medical Service and Research	514,751	90,705	605,456
	<u>842,796</u>	<u>90,705</u>	<u>933,501</u>

7. ALLOCATION OF SUPPORT COSTS

ALLOCATION OF SUPPORT COSTS	Included in direct costs 2018 €	Allocated to support costs 2018 €	Total 2018 €
Accountancy costs	-	5,812	5,812
Finance and administration	-	128,115	128,115
IT costs	-	849	849
Governance costs (Note 8)	-	9,225	9,225
Executive leadership team fees (Note 18)	10,625	1,875	12,500
Consultancy fees (Note 18)	31,875	5,624	37,499
	<u>42,500</u>	<u>151,500</u>	<u>194,000</u>
	Included in direct costs 2017 €	Allocated to support costs 2017 €	Total 2017 €
Accountancy costs	-	7,688	7,688
Finance and administration	-	50,356	50,356
IT costs	-	4,354	4,354
Governance costs (Note 8)	-	20,807	20,807
Executive leadership team fees (Note 18)	10,625	1,875	12,500
Consultancy fees (Note 18)	31,875	5,625	37,500
	<u>42,500</u>	<u>90,705</u>	<u>133,205</u>

THE HEARTBEAT TRUST

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

8. GOVERNANCE COSTS

GOVERNANCE COSTS	2018 €	2017 €
External audit services	9,225	9,225
Governance review	-	11,582
	<u>9,225</u>	<u>20,807</u>

9. NET MOVEMENT IN FUNDS

NET MOVEMENT IN FUNDS	2018 €	2017 €
Net movement in funds is stated after charging / (crediting):		
Auditor's Remuneration – audit services (incl. VAT)	9,255	9,255
Company secretarial fees	492	492
Depreciation	<u>18,478</u>	<u>4,405</u>

10. TAXATION

The company is a registered charity and is not liable to income taxation or corporation taxation.

11. EMPLOYEES AND REMUNERATION

EMPLOYEES AND REMUNERATION	2018 €	2017 €
Salaries	548,658	565,729
Social welfare costs	58,615	60,224
Pension costs	<u>5,250</u>	<u>14,000</u>
	<u>612,523</u>	<u>639,953</u>

The average monthly number of salaried persons employed by the Company in the year was 14 (2017: 14). An analysis of employee numbers at the year end is as follows:

	2018 Number	2017 <u>Number</u>
Research and education	11	12
Administration	<u>3</u>	<u>2</u>
	<u>14</u>	<u>14</u>

No employee received emoluments for the year in excess of €60,000.

THE HEARTBEAT TRUST COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

12. DIRECTORS' REMUNERATION

No remuneration or other benefits have been paid or are payable to any directors directly or indirectly from the funds of the company.

No directors were reimbursed expenses during the year or during the previous year.

13. TANGIBLE FIXED ASSETS

TANGIBLE FIXED ASSETS

	Medical equipment €	Fixtures, fittings & equipment €	Computer equipment €	Total €
Cost				
At 1 January 2018	20,352	3,087	32,619	56,058
Additions	79,078	-	2,707	81,785
Disposals	-	-	-	-
At 31 December 2018	99,430	3,087	35,326	137,843
Depreciation				
At 1 January 2018	16,512	3,087	24,204	43,803
On disposals	-	-	-	-
Charge for the year	15,017	-	3,821	18,838
At 31 December 2018	31,529	3,087	28,025	62,641
Net book value				
At 31 December 2017	<u>3,840</u>	<u>-</u>	<u>8,415</u>	<u>12,255</u>
At 31 December 2018	<u>67,901</u>	<u>-</u>	<u>7,301</u>	<u>75,202</u>

14. DEBTORS

DEBTORS	2018 €	2017 €
Amounts falling due within one year		
Trade debtors	227,900	10,382
Prepayments and accrued income	9,965	100,000
	<u>237,865</u>	<u>110,382</u>

All debtors are due within one year.

THE HEARTBEAT TRUST

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

15. CREDITORS

CREDITORS	2018	2017
Amounts falling due within one year	€	€
Trade creditors	3,108	-
Paye and social security	20,982	13,607
Other creditors	74,308	61,808
Accruals	45,578	54,663
Lease liability	<u>38,489</u>	-
	<u>182,465</u>	<u>130,078</u>

Trade creditors

The carrying amounts of creditors approximate their fair value largely due to the short-term maturities.

Accruals & other creditors

The terms of the accruals and other creditors are based on underlying contracts.

PAYE and social security costs

Taxes and social welfare costs are subject to the terms of the relevant legislation. Interest accrues on late payments. No interest was due at the financial year end date.

16. FUNDS OF THE CHARITY

FUNDS OF THE CHARITY	Restricted funds 2018 €	Unrestricted funds 2018 €	Total 2018 €
Balance at beginning of year	-	98,547	98,547
Surplus for the year	<u>-</u>	<u>47,357</u>	<u>47,357</u>
Balance at end of year	<u>-</u>	<u>145,904</u>	<u>145,904</u>
Fund balances are represented by:			
Fixed assets	-	68,175	68,175
Current assets	-	260,194	260,194
Current liabilities	<u>-</u>	<u>(182,465)</u>	<u>(182,465)</u>
	<u>-</u>	<u>145,904</u>	<u>145,904</u>

THE HEARTBEAT TRUST COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

16. FUNDS OF THE CHARITY (continued)

FUNDS OF THE CHARITY (<i>continued</i>)	Restricted funds 2017 €	Unrestricted funds 2017 €	Total 2017 €
Balance at beginning of year	-	115,362	115,362
Deficit for the year	<u>-</u>	<u>(16,815)</u>	<u>(16,815)</u>
Balance at end of year	<u>-</u>	<u>98,547</u>	<u>98,547</u>
Fund balances are represented by:			
Fixed assets	-	12,255	12,255
Current assets	-	216,370	216,370
Current liabilities	<u>-</u>	<u>(130,078)</u>	<u>(130,078)</u>
	<u>-</u>	<u>98,547</u>	<u>98,547</u>

17. STATEMENT OF FUNDS

STATEMENT OF FUNDS

	Opening balance 1 Jan 2018 €	Income €	Expenditure €	Transfer from unrestricted funds €	Closing balance 31 December 2018 €
Restricted funds					
STOP-HF Community and Outreach Programme	-	323,381	(324,293)	912	-
	-	323,381	(324,293)	912	-
Unrestricted funds	<u>98,547</u>	<u>697,688</u>	<u>(649,419)</u>	<u>(912)</u>	<u>145,904</u>
Total funds	<u>98,547</u>	<u>1,021,069</u>	<u>(973,712)</u>	<u>-</u>	<u>145,904</u>

The STOP-HF Community and Outreach Programme is funded by the HSE through St. Vincent's University Hospital (Programme Facilitator).

THE HEARTBEAT TRUST COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

18. RELATED PARTY TRANSACTIONS

The company entered into transactions with Crofton Cardiac Centre, a related party by virtue of common interest. Prof Ken McDonald, company secretary, is a partner of Crofton Cardiac Centre. The transactions for the year amounted to €53,500 (2017: €58,162). These transactions consisted of Medical Service and Research consultancy costs amounting to €37,500 and annual rent charge of €16,000.

Key Management Personnel

No remuneration was paid to key management personnel during the current or prior year.

Executive Leadership Team

During the reporting year the company obtained executive services from Prof Ken McDonald and Prof Mark Ledwidge, Prof Ken McDonald as Medical Director and Prof Mark Ledwidge as Research/ Development Director. Neither is a member of the board of directors.

Fees payable to Prof Ken McDonald for the year ended 31 December 2018 amounted to €6,250 (2017: €6,250). Amounts owing to Prof Ken McDonald as at 31 December 2018 totalled €26,112 (2017: 19,862).

Fees payable to Prof Mark Ledwidge for the year ended 31 December 2018 amounted to €6,250 (2017: €6,250). Amounts owing to Prof Mark Ledwidge as at 31 December 2018 totalled €47,657 (2017: €41,407).

19. PRIOR YEAR COMPARATIVES

Some prior year comparatives have been regrouped and reclassified on a basis consistent with the current year.

20. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the directors on 7th October 2019.

THE HEARTBEAT TRUST COMPANY LIMITED BY GUARANTEE

APPENDIX – OUR STRATEGIC OBJECTIVES AND PRIORITIES 2018-2022

Overview

This strategy has been developed around the following key strategic objectives:

Objective 1: Building on current strengths

- Keeping focused on our mission, and building upon our strength in the prevention and treatment of heart failure and other cardiovascular diseases

Objective 2: Strengthening our capacity

- Strengthening the organisational capacity of the Heartbeat Trust to manage our work professionally, effectively and efficiently

Objective 3: Strengthening our governance

- Putting in place an enhanced level of corporate governance in line with best practice and recent regulatory requirements

Objective 4: Developing partnerships

- Developing strategic partnerships with other organisations in order to help further our mission

Objective 5: Future growth and expansion

- Moving towards managed growth and expansion of our services as we continue to strengthen our organisation

THE HEARTBEAT TRUST COMPANY LIMITED BY GUARANTEE

APPENDIX – OUR STRATEGIC OBJECTIVES AND PRIORITIES 2018-2022

Strategic Objectives: Detailed Forward Actions

Objective 1: Building on Current Strengths

Keeping focused on our mission, and building upon our strength in the prevention and treatment of heart failure and other cardiovascular diseases

We aim to achieve this objective by continuing to:

- Deliver a high level of specialist, structured care to patients with heart failure and other cardiovascular conditions;
- Invest in innovative techniques and methods for the delivery of specialist care, through approaches such as our Virtual Consultation Service;
- Maximise the benefits of our research into heart failure prevention, causes and care;
- Highlight the issues associated with heart failure through the information we disseminate within the health system and to patients and the public;
- Work closely with the HSE, voluntary hospitals and other care providers in the delivery of our current programmes of care.

What are the intended outcomes?

- We will continue to focus on our core mission. The Heartbeat Trust will remain as the national centre of excellence for the prevention and treatment of heart failure, and will work towards a 50% reduction in the incidence of heart failure across Ireland by 2030.

Objective 2: Strengthening our Capacity

Strengthening the organisational capacity of the Heartbeat Trust to manage our work professionally, effectively and efficiently

We aim to achieve this objective by:

- Creating a new position of General Manager to help drive the organisation forward in a dedicated, business-focused manner;
- Reviewing our organisation structures and ensuring that our capabilities in areas such as financial management, human resources, planning and performance reporting are optimised;

THE HEARTBEAT TRUST COMPANY LIMITED BY GUARANTEE

APPENDIX – OUR STRATEGIC OBJECTIVES AND PRIORITIES 2018-2022

Objective 2: Strengthening our Capacity (continued)

We aim to achieve this objective by continuing to:

- Developing an annual business plan for approval by the Board, to ensure that the implementation of our strategy is maintained on a rolling basis, and to focus on the management of our performance;
- Reviewing the terms and conditions of our staff to ensure that equity and fairness are central to our approach;
- Undertaking a review of the physical infrastructure of the Heartbeat Trust premises to ensure that our offices are fit for purpose and enable us to be fully cohesive as an organisation.

What are the intended outcomes?

- A highly professionally-run organisation with focus on the implementation of our strategy, the development and roll-out of an annual business plan, and the regular reporting to the Board of our performance against targets.

Objective 3: Strengthening our Governance

Putting in place an enhanced level of corporate governance in line with best practice and recent regulatory requirements

We aim to achieve this objective by :

- Reviewing the make-up of our Board to ensure that it reflects the broad range of expertise and skills needed in line with our mission – specialist clinical skills, research, policy, strategy, business management, finance, law, HR and others as appropriate;
- Developing a governance structure which includes a small number of sub-committees in areas such as finance, audit (which should be separate from finance), HR / remuneration, and others as appropriate;
- Developing a performance reporting framework and structure in line with our strategy and annual business plans;
- Ensuring that all aspects of our governance – structures, policies, procedures, reporting, etc. – are fully in line with international best practice and with the Governance Code for Community, Voluntary and Charitable Organisations in Ireland.

THE HEARTBEAT TRUST COMPANY LIMITED BY GUARANTEE

APPENDIX – OUR STRATEGIC OBJECTIVES AND PRIORITIES 2018-2022

Objective 3: Strengthening our Governance (continued)

What are the intended outcomes?

- Governance arrangements for the Heartbeat Trust which are best in class and fully in line with the expectations of our strategic partners, funders and other stakeholders;
- Appropriate governance structures in place to ensure transparent and open decision-making, reporting, and responsiveness;
- Clarity for our staff in respect of roles, responsibilities and accountability.

Objective 4: Developing Partnerships

Developing strategic partnerships with other organisations in order to help further our mission

We aim to achieve this objective by :

- Developing a clear programme of carefully managed growth through strategic partnerships and joint initiatives;
Working proactively with key players within other parts of the wider health system – particularly the health insurance and pharmaceutical industries – to identify business and revenue-generating opportunities for extending our model of care into other chronic conditions;
- Working proactively with the HSE, acute voluntary hospitals and private hospitals to develop and extend our services nationwide;
- Working collaboratively with other non-profit healthcare organisations on joint projects in line with our core mission.

What are the intended outcomes?

- Extension of our services across Ireland, with the Heartbeat Trust playing a central role in the development of these initiatives;
- Enhancement of our brand and reputation for highly specialist care, clinical excellence and thought leadership through research;
- Commercial and business benefits arising from joint initiatives and partnerships, aiding our financial sustainability.

THE HEARTBEAT TRUST COMPANY LIMITED BY GUARANTEE

APPENDIX – OUR STRATEGIC OBJECTIVES AND PRIORITIES 2018-2022

Objective 5: Future Growth and Expansion

Moving towards managed growth and expansion of our services as we continue to strengthen our organisation

We aim to achieve this objective by :

- Ensuring that the necessary infrastructure is in place within the Heartbeat Trust to facilitate a more expansionist approach– and recognising that this should not happen until Objectives 1 to 4 inclusive have been largely met;
- Develop a progressive and managed approach to expansion, either organically or through partnership with other organisations.

What are the intended outcomes?

- Moving the Heartbeat Trust to the next stage of its development, beyond evolution and into more dynamic expansion, potentially involving a rebalance of the HBT's work into other chronic conditions as opposed to our current core focus on heart failure and related cardiovascular conditions;
- Possible expansion of our services beyond Ireland.

Implementing the Strategic Plan

The implementation of this Strategic Plan will be overseen by the Board of the Heartbeat Trust, and will be based upon a detailed Implementation Plan in which all of the above objectives will be supported by distinct actions. Each action will be specific, measurable, realistic and time bound, and will be designated a named owner. In this way, it will provide the basis for accountability for performance within the Heartbeat Trust and through the Executive Team to the Board.

Progress on the agreed actions will be monitored on a quarterly basis by the Board, and once each year the Board will formally review the strategic plan to ensure that it remains relevant and fit for purpose. We will also report on progress against each action in the strategic plan within our annual report to the AGM.

