

THE FREMANTLE TRUST

ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended 31 March 2021

Registered Company Number 2722437

Registered Charity Number 1014986

THE FREMANTLE TRUST

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

Reference and Administrative Information

Registered Charity	No 1014986
Limited Company	No 2722437
Company Secretary	Liz Turvey
Chief Executive	Sara Livadeas (Interim Nick Callaghan)
Registered Office	Woodley House, 64/65 Rabans Close, Aylesbury, Bucks, HP19 8RS
Statutory Auditor	Sayer Vincent LLP Chartered accountants and statutory auditor Invicta House, 108-114 Golden Lane London, EC1Y 0TL
Bankers	Allied Irish Bank (GB) 10 Berkeley Square, London W1J 6AA
Solicitors	Anthony Collins Solicitors 134 Edmund Street Birmingham, B3 2ES
Trustees	Charles Hutchison(resigned 9 January 2021) Diane Kerwood Ian Shepherd (Chair of the Board, retired 6 September 2021) Nicholas Heald (retired 24 March 2021) Alan Howard (resigned 26 May 2021) Stephen Wooler (resigned 23 September 2020) Georgina Turner Lorna Baxter (appointed 27 August 2019, resigned 1 October 2020) Stephanie McMahon (appointed 27 August 2019) Jennifer Burns (appointed 27 May 2020, resigned 1 October 2021) Jim Burness (appointed 22 July 2020) (Acting Chair of the Board from 6 September 2021) Karen Jones (appointed 23 September 2020) Robert De Barr (appointed 23 September 2020) Louise Drew (appointed 28 July 2021) Audit and Risk Committee members: Ian Shepherd (up to 6 September 2021) Jennifer Burns (up to 1 October 2021) Nicholas Heald (up to 24 March 2021) James Burness (Chair from 23 September 2020) Stephen Wooler (Chair up to 23 September 2020) Charles Hutchison (up to 9 January 2021) Stephanie McMahon Trustee Care Panel members: Diane Kerwood (Chair), Ian Shepherd (up to 6 September),

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Reference and Administrative Information (continued)

Trustee Care Panel members (continued):

Nicholas Heald (up to 24 March 2021), Alan Howard (up to 26 May 2021), Stephen Wooler (up to 23 September 2020), Georgina Turner

Finance Committee members:

Ian Shepherd (Chair) up to 6 September 2021, Nicholas Heald (up to 24 March 2021), Lorna Baxter (to 1 October 2020), Jennifer Burns (Up to 1 October), Jim Burness (Chair from 6 September 2021)

HR Committee members:

Diane Kerwood, Alan Howard (Chair up to 26 May 2021), Stephen Wooler (up to 23 September 2020), Karen Jones (Chair from 26 May 2021)

Trustees' Report

The Trustees submit their annual report and the audited financial statements for the year ended 31 March 2021. Reference and administrative information set out on pages 1 and 2 form part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association, the requirements of a directors' report as required under Company Law, and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Organisation

A Board of Trustees of up to 15 members administer the Charity and may also join one or more of the following sub committees.

The Audit and Risk Committee ensures there is robust risk management throughout The Fremantle Trust operations and report on this to the Board. The committee is made up of a minimum of 3 Trustees and attended by the Chief Executive, Company Secretary and Finance Director.

The Trustee Care Panel undertakes regular planned visits to services and report on these to the Board. They also monitor care and quality and safeguarding within the organisation. This panel is made up of a minimum of 3 Trustees and meetings are attended by the Director of Care Quality and Compliance, the Director of Operations and others as required. In line with government guidelines, the service visit schedule has been restricted this year: engagement being maintained through online consultations.

The Finance Committee is made up of a minimum of 3 Trustees and is attended by the Director of Finance, the Company Secretary and the Chief Executive. This committee scrutinises the financial and cash management of the business.

The HR Committee, attended by the Chief Executive, the Head of HR and a minimum of 3 Trustees, underlines the importance the Board of Trustees places on recruitment, retention and training of staff.

In addition, each Trustee is linked to a number of services. There is also a named Trustee responsible for safeguarding.

Annually the Board of Trustees meets to discuss objectives, review business plans and budgets and develop strategy. Progress against objectives is monitored at each Board meeting, which take place every two months. Due to the Covid 19 restrictions all meetings since March 2020

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have taken place virtually and it was not possible to have the annual face to face strategy days. However since March 2020 the Board has met by virtual means every month.

Day to day management of the organisation is delegated to the Executive Team who are employees. The Executive Team during the period are:

Sara Livadeas	-Chief Executive (resigned September 2021)
Nick Callaghan	-Interim Chief Executive (from February 2021 to August 2021)
Narinder Singh	-Interim Chief Executive (from September 2021)
Liz Turvey	-Company Secretary
Liz Harris	-Director of Wellbeing (retired September 2020)
Sarah Toyne	-Head of HR
Barrie Miles	-Director of Finance
Laura Wood	-Director of Care, Quality and Compliance (resigned July 2020)
Mark Webb Austin	-Director of Operations (appointed May 2020, resigned April 2021)
Jo Blackburn	-Interim Director of Care Quality and Compliance (August 2020 to February 2021)
David Williams	-Interim Director of Operations (appointed 05 April 2021)
Helen Evers	-Director of Care Quality and Compliance (appointed 29 March 2021)

Services and Activities

During the year to 31 March 2021 The Fremantle Trust provided the following services.

Services for older people

- Care homes in Buckinghamshire providing care and support for 715 (2020: 716) permanent residents and places for short term/respice residents

Services including dementia care, rehabilitation, palliative care and care services for ethnic minority groups

- 29 (2020: 29) extra care places in Maidenhead until September 2020.

Learning disability services

- Care homes in Buckinghamshire and Hertfordshire providing care and support to 51 (2020: 63) permanent residents, and 2 (2020: 2) places for short term/respice services
- Supported living for 145 (2020: 127) people with a learning disability
- Day activities for people with a learning disability

The Trust took over the provision of nursing and association care to the residents of Leonard Pulham Limited in October 2020. This was a care facility serving 34 people aged 65 and over.

Trustees wish to ensure that The Fremantle Trust's services are widely accessible, according to care and support needs, and therefore have contracts with local authorities for all learning disability services and almost half of services for older people. The local authority pays the balance of the fees, dependant on the residents' income, for those it places. Where beneficiaries pay fees directly for their places, the amounts charged are set by reference to market conditions and service costs and aim to achieve a surplus for future investment. Should a direct fee-paying individual's funds become depleted below the local authority threshold, we will always use our best endeavours to reach agreement with the appropriate local authority to enable that person to remain in our care providing the service continues to meet the resident's needs.

Activities are supported by the valuable contribution of more than 100 volunteers including

- Voluntary Trustees
- Advocates and befrienders
- Volunteers providing leisure and recreation opportunities.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

Our vision is to create great communities for people who need care and support. Families and friends of the people who use our services and the staff who support them play an invaluable part through their day-to-day involvement in helping those who we support and care for to lead fulfilling lives.

Employee involvement and employing people with disabilities

The Fremantle Trust is committed to promoting equality, preventing discrimination and valuing diversity in all our services. Its policy of Equality and Diversity is designed to ensure equality and fairness for all people who use our services, employees and job applicants. Where existing employees become disabled it is the Trust's policy whenever practicable to provide continuing employment under normal terms and conditions and to provide training and career development as appropriate.

Regular team meetings are held in all services to ensure a flow of information and exchange of ideas. A monthly newsletter, Inside Fremantle, is displayed on our IT network and printed out and placed in staff rooms for all employees to access. This includes news items from the services as well as information about the organisation. During the pandemic the Chief Executive and the Head of HR have written to all staff on several occasions to keep them directly informed of our response and to signpost them to where they may access support should they need it. This includes our Employee Assistance Programme which has a confidential telephone helpline.

The Fremantle Trust is committed to the continuing development of employees. The Trust's in-house HR and Learning and Development teams ensure each service has a dedicated Business Partner, who works alongside them to continue to develop and train staff. The Trust's aim is to ensure a competent, suitably qualified and motivated workforce who demonstrates the values of the organisation, underpinning the provision of outstanding care and support for the people who use our services. This year we have had to severely curtail our face to face training. We have continued as much as possible the accredited Leadership Academy for our Service Managers and Deputies started last year, which aims to equip them with the knowledge and tools to ensure they can drive continued improvement in our services. We have moved a significant amount of our face to face training on line to ensure continued training throughout the pandemic and the associated restrictions. This has meant that many people were able to continue to engage with our training programme as they were able to do so remotely, to the benefit of both our employees and the people they support. We aim for all employees to have an annual performance and development review, which links personal objectives for the coming year to the strategic goals in the company plan.

The Chief Executive managed to obtain gift boxes from Amazon for every member of staff during the summer of 2020. 1,500 boxes were delivered to our office in Aylesbury and distributing them to homes and services was quite an undertaking. Our thanks to Amazon for donating the boxes in recognition of the work of our care staff, made more challenging throughout the last 15 months by the pandemic.

The Fremantle Trust has reported on the gender pay gap, which is 8.3% (calculated on 2020/21 pay). As a benchmark, the Office of National Statistics reported that the gender pay gap among all employees was 15.5%.

The Trustees agreed the Modern Slavery Statement for the year 2020/21 and this has been placed on the Trust website.

Energy Savings Opportunity Scheme (ESOS)

The Fremantle Trust is registered on the ESOS website and carried out the first energy audit at the end of 2015 in order to comply with the regulations. The Phase 2 audit was undertaken in December 2020 and formally notified to the Environment Agency in May 2020.

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We have reported below our energy and carbon information in line with SECR reporting guidelines.

We have not included usage for offices where we have service agreements and/or we are not charged for energy usage as a tenant as we do not have access to this usage data. In line with SECR guidelines we have not included emissions related to the use of public transport. GHG emissions have been calculated using 2020 UK Defra carbon conversion factors, emissions are presented in CO₂e. For our buildings we have used an energy intensity metric of kWh per m², using data from our energy bills.

We do not keep records of the size or fuel type of our employees' personal vehicles, so where they have used their car for work and claimed mileage we have calculated based on the measurements for an 'average personal vehicle' and 'unknown fuel type' from the DEFRA dataset.

Our energy usage in 2020/2021

Gas usage: 1,266,410 kg CO₂e (2019/20 1,279,761 Kg CO₂e)
Gas use intensity: 6,887,528 Kwh/£46.3m Income (2019/20 6,960,898 Kwh/£46.3m Income)
Electricity use: 610,282 kg CO₂e (2019/20 707,403 kg CO₂e)
Electricity use intensity: 2,617,663 Kwh/ £45.2m Income (2019/20 2,767,619 Kwh/£46.3m Income)
Travel data: 21,760 kg CO₂e (2019/20 33,231 kg CO₂e)

Information not shown in the Trustees' report is shown in the Strategic Report instead under the Companies Act 2006 section S414C (11).

Statement of Responsibilities of the Trustees

The Trustees (who are also directors of The Fremantle Trust for the purposes of Company Law) are responsible for preparing the Trustees' annual report including the strategic report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation

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

Insofar as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware

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- The Trustees have taken all steps that they ought to have taken to make them selves aware of any relevant audit information and to establish that the auditor is aware of that information

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

The Members of the charitable company are the Trustees who guarantee to contribute an amount not exceeding £1 each to the assets of the charitable company in the event of winding up. The total number of such guarantees at 31 March 2021 was 9 (2020: 9). The Trustees are members of the charitable company but this entitles them only to voting rights. The Trustees have no beneficial interest in the charitable company.

Structure Governance and Management

The Fremantle Trust is a registered charity and company limited by guarantee, incorporated and registered in England on 8 June 1992 and is a "not for profit" organisation.

The governing documents for The Fremantle Trust are the Memorandum and Articles of Association (as amended on 1 January 2013). Trustees are appointed for an initial period of three years and at the end of this period they may, if they wish and the Board agrees, serve a further three years. The maximum term a Trustee may serve under this process is nine years i.e. three consecutive terms. Trustees are appointed by the Board.

Charles Hutchison, being towards the end of his current and final term of office, resigned from the Board with effect from 9 January 2021. Nicholas Heald sadly retired from the Board due to ill health in March 2021, Alan Howard resigned with effect from 26 May 2021, Ian Shepherd resigned with effect from 6 September 2021 and Jennifer Burns resigned with effect from 1 October 2021. The Board wish to extend their thanks to them for all their years of service. During 2020 we were pleased to welcome Jennifer Burns, James Burness, Karen Jones and Robert de Barr to the Board.

The Trustees are also Directors of the charity for the purpose of the Companies Act.

All members of the Board of Trustees give their time voluntarily and receive no benefits from The Fremantle Trust. Any expenses reclaimed or incurred directly are set out in note 6 to the accounts.

We regularly review our Trustee Recruitment, Induction and Training Policy. Potential Trustees are invited to apply after replying to a specific advertisement in the press, via appropriate websites or by targeted approach. They are requested to provide their curriculum vitae and attend an interview with a group of existing Trustees to discuss the role. If the interview panel and potential Trustee are happy to proceed, the appointment is confirmed at the next Board meeting. Appointments are made with reference to the existing skill mix of the Board. The Board are very pleased to have welcomed seven new Trustees to the charity during the past 18 months.

New Trustees are provided with a Trustees' Handbook (which is regularly updated) and other relevant reading and are invited to spend time with the Chair of Trustees and each of the Senior Executives. An existing Trustee is asked to mentor the new appointee to ensure they are assisted to become a contributing member of the Board as soon as possible. Where possible and if Covid restrictions allow, they will visit services, either in the company of the Chief Executive or with a member of the Executive Team. All Trustees are offered regular training and development opportunities through conferences, formal training and by journal subscription and information sharing.

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During the period under review the Board established a Governance Review sub group with a particular remit to look at how the Board monitor safeguarding with reference to the alert sent out by the Charity Commission but also to look at governance more generally. The group has reported on progress at each Board meeting since September 2020. As a result of the report on safeguarding all Trustees were asked to complete the same on-line safeguarding training module as is mandatory for employees. The governance manual, the Trustee Handbook, has been updated and is currently out for review with an external advisor.

Remuneration Policy

The Trustees are responsible for setting the pay and remuneration of key management personnel. The HR Committee will take advice, guidance and information from the Chief

Executive, and such outside sources as they deem necessary, to review the pay of the Executive Team and those senior members of staff with substantial strategic responsibilities whose pay is determined by this method and will make recommendations to the Board of Trustees. Consideration is given to annual pay surveys for the relevant roles within the sector, the value placed on any relevant qualifications, advice from industry recruitment specialists and the financial position and outlook for the Trust.

Auditors

A resolution to re-appoint Sayer Vincent LLP as external auditors will be proposed at the forthcoming Annual General Meeting.

By order of the Board of Trustees.

Jim Burness
Chair of the Board
Date: 24 November 2021

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STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2021

Aims and Objectives

The Fremantle Trust's legal objectives, as set out in the Memorandum and Articles of Association, are to promote and provide relief, support and assistance to individuals who by reason of old age, or physical or mental illness or physical or mental disability require special care and attention.

The Fremantle Trust provides care and support for older people and people with learning disabilities. We operate registered care homes (providing residential, nursing, respite and dementia care), day care and extra care services, care in individuals own homes and supported living services in Buckinghamshire, Milton Keynes, Bedfordshire and Hertfordshire. Our mission is to enhance people's lives by caring and working together. Our vision is to be the go to provider, delivering great care every day.

We aim to meet people's needs for independence, personal choice and control, privacy, fulfilment, safety, citizenship and social interaction, in a respectful and dignified manner. We demonstrate this to the people who use our services through the five values which underpin our mission and vision, which are to:

- Celebrate the uniqueness in everyone
- Put care and kindness at the heart of all we do
- Exceed expectations every day
- Act openly and responsibly
- Always be learning

Each year the Board of Trustees reviews our aims, objectives and achievements to ensure these remain focused on providing benefits to the people who use our services. We have referred to the guidance contained in The Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular the Trustees consider how planned activities will contribute to the aims and objectives that have been set. Our corporate plan objectives are:

- People enjoy high quality care, where their needs are met by capable and responsive employees
- All services are safe and compliant with regulations/legislation
- Services are financially sustainable, cost effective and efficient
- We will provide flexible support that anticipates demands from our public sector and private customers in the future

Achievements for year to March 2021

This has been another very challenging year for the Trust, as for all those operating in the care sector. The coronavirus crisis was already beginning to impact in March 2020 and this impact became much more marked during April and May 2020 with an increased number of deaths in our older people's services in line with the prevalence rates for Buckinghamshire (8%). No residents were affected in our learning disability services.

The Corporate Plan produced and signed off by the Board in October 2020 was designed to implement improvements in care quality, health and safety, financial sustainability and service provision innovation and flexibility. Part of this was a transformation programme which when delivered would enable it to deliver in a post – pandemic world, the Corporate Plan improvements. As yet we have not reached that post-pandemic position and so the programme has largely been on hold. As a result, it is not possible to report against the specific performance indicators and targets that were planned to be achieved as part of that programme. However, the Trustees feel there are several areas where real achievements should be acknowledged and celebrated.

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All employees at every level worked very hard in extra-ordinarily difficult circumstances to keep residents, each other and those we support safe. This was in light of circumstances where in the early stages of the pandemic government guidance was changing constantly, on one occasion several times in one day. We had good supplies of PPE sourced by our procurement team from the beginning of the pandemic and kept infection control measures under review.

Throughout the last sixteen months we have done everything possible within the guidelines to ensure the residents in our older people's homes were supported to stay in contact with their relatives and friends. We have maintained visits from friends and family through the use of technology.

We were able to develop a closer and more productive working relationship with both Buckinghamshire Council and local health professionals. In particular we are very grateful for the Council's support provided through the Infection Control Funding,

Moving away from paper based systems has been an aspiration for some years. Over the last few months we have rolled out digital care plans in two homes for older people and in our five registered care homes for people with a learning disability. We have recently begun using a digital incident reporting system (RADAR) and also subscribed to a digital quality and compliance system in order to support our policy and procedures processes. It is hoped as these systems embed they will support the quality improvement drive.

The issues we experienced in providing care during the pandemic were further exacerbated by being subjected to a cyber attack in June 2020 which resulted in the total loss of our IT systems for several weeks as, working with our insurers, we refused to pay the ransom demanded. This meant we had had to delay production of last year's statutory accounts and also were unable to produce monthly management accounts for the first half of 2020.

The cyber attack demonstrated the need for investment in our IT infrastructure and department combined with a more rigorous relationship with our IT providers to prevent this threat to business continuity occurring again and/or being able to react more quickly to minimise impact if an attack did breach our security. The Trust worked with a Cyber Risk consultant during the recovery process who helped us achieve the following to prevent this happening again:

- Multi Factor Authentication (MFA) enable on our remote desktop server including longer and more sophisticated passwords
- New sonic wall VPN protecting the boundary of our network coupled with Webroot anti-virus software which protects from this type of ransomware attack
- Disabled local admin rights on all endpoints to prevent access across the network
- Non-routable backup solution in place to ensure any infection will not be able to cross over to back ups
- Wi-Fi access restricted to authorised users.
- More enhanced and regular back up routine implemented
- All operating systems and firmware patched to the latest update by our IT provider
- Head of Digital Transformation recruited to implement IT strategy

How The Fremantle Trust Directors have complied with their duties in regard to the following:

The likely consequences of any decision in the long term

All key decisions that will have an impact on the long-term future of the charity are discussed at the relevant sub-committee and Board. Major and long running projects are overseen on behalf of the Board by the Audit and Risk committee to ensure that there is appropriate oversight and that appropriate action is taken where necessary, with regular reports to the full Board.

The interest of the company's employees

The impact of major decisions on staff are discussed by the Board who also receive regular updates on staff pay, health and safety, and safeguarding. The Trustees continue to aspire to being a Real Living Wage employer at such time as finances allow.

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The need to foster the company's business relationships with suppliers, customers and others

An annual Residents and Relatives survey is undertaken and the Board receives information on complaint levels and any underlying themes. The Board regularly discusses the nature of the relationships it wants with key stakeholders and there are clear processes for engagement with suppliers and customers.

The impact of the company's operations on the community and the environment

The Fremantle Trust's key objective is to have a positive impact on the lives of people who need care and support due to living with a learning disability or who are elderly with physical frailty or dementia. The board receives regular quality updates on the services provided to ensure funds are used efficiently and effectively with particular attention paid to CQC and our own internal audit ratings.

The desirability of the company maintaining a reputation for high standards of business conduct

The nature of the Trust's work as a charity makes the maintenance of its reputation for keeping high standards of particular importance. Appropriate systems and processes are in place to ensure the highest standards in business conduct. The Executive Team will also update the board with any matters that may have given rise to a reputational risk including any mitigating actions being taken.

The need to act fairly between members of the company

As a registered charity The Fremantle Trust does not have shareholders. The Trustees, who are members of the company, ensure that any surpluses are ploughed back into the business for the benefit of those for whom we provide care and support.

Financial Review

The statement of financial activities for the year is set out on page 17. A memorandum income and expenditure account has been included on page 23 to provide greater clarity as to the actual operating results for the year excluding FRS 102 pension adjustments.

In the year ended 31 March 2021, the Trust's income derived from fees for care and support services was £45.2 million (2020: £46.3million). The Charity's main expense is staff costs with other costs relating to expenses in running and managing homes and services.

In the year ended 31 March 2021, the Trust made an operating loss before FRS 102 pension accounting (see Note 2 to the accounts) of £705,000 (2020: loss £489,000).

The FRS 102 deficit shown on the face of the accounts arises due to the Charity's admitted body membership of the Buckinghamshire Local Government Pension Scheme following transfer of employees when the charity was set up in 1992. Following negotiations with Buckinghamshire Council and LGPS Actuary during early 2021, the Trust ceased to be an admitted body of this scheme and all liability has been subsumed by Buckinghamshire Council from 31 July 2021 and this will be reflected in 2021-22 statutory accounts. No exit debt payment was required, all active Trust employees have left this scheme and the Trust has been discharged from all current and future liabilities.

Due to the impact of Covid 19 our net current assets have slipped back to a negative position. However, the cash position has remained stable despite ongoing risk from trading uncertainties. The overdraft and loan facility from the bank allows this position to be maintained. The charity therefore stays in regular contact with the bank to keep them updated on the operating and cash position. The last formal review held in July 2021 confirmed continued support from Allied Irish Bank (GB) until at least July 2022. The Trust considers it has a good relationship with the bank and whilst technically their support could be removed at any time, the trustees have reasonable expectation that the support of the bank will be ongoing for the foreseeable future.

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Routinely the Board reviews the monthly management accounts at the Finance Committee meeting bi-monthly and the full Board review them every two months. Also monthly accounts are discussed in depth by the Executive Team each month. These accounts always include a balance sheet plus updated forecast cash flow. Although for a time it was not possible to produce the management accounts the Finance Team were able to keep a close eye on the cash flow. However, as a result of the on-going pandemic, the board met every month and a sub – committee met on a weekly basis to ensure sufficient oversight over both operations and the charity's finances. The board has been receiving updates from its own finance team as well as BDO and other advisors. In parallel with the internal work and liaison with advisors, the Trust has been continuing discussions through regular contact with its major local authority commissioner with a view to enabling the Trust's ongoing operational and financial sustainability.

The effects of Covid 19 reduced our private occupancy to well below the level needed to ensure financial stability whilst fee rates for our local authority contracts remained very low. It therefore became imperative that negotiations with the Council to increase their rates were successfully concluded before the accounts for the year ended 31 March 2020 were signed off by the Board and filed in March 2021. Fee rate increases have been agreed and negotiations continue with regard to amendments to the block contract. A sub group of the Board met weekly and worked with the external advisers and the local authority. The Council were able to provide sufficient assurance to the Board regarding these increases to enable them to sign the accounts on a going concern basis. The Council paid a cash sum of £2.6m to the Trust prior to the end of March 2021 as part of this agreement. A new older people block contractual fee rate was agreed, effective from 1 April 2021 however negotiations around particular contractual clauses are on-going.

Reserves Policy

The Board of Trustees has established that unrestricted funds should be held to support future strategic development or invested in fixed assets. This policy is reviewed annually.

The Board of Trustees believes that, to allow appropriate future cover for continuing operating costs, reserves should be between one and three months' operating costs (principally salaries), estimated to be £4million to £12million. Excluding the pension funds deficit, the Trust has general funds of £1.3 million (2020: £2.2 million). However, as shown in note 15 the main component of these general funds is fixed assets, rather than liquid funds. In the short to medium term the management team and Trustees monitor cash flow and reserves levels to ensure that these are sufficient to meet day to day commitments and obligations under lease covenants.

The strategy agreed by the Board aims to build the charity's level of reserves. It is acknowledged that due to the Charity's poor financial performance over the last few years this is taking longer to achieve than Trustees initially hoped. The Trustees took the decision in October 2020 to engage expert financial advisors to assist the Trust in developing a strategy which would ensure sustainable surpluses over the medium to long term in order to achieve the reserves goal. BDO commenced this work at the end of October 2020. This work has continued into 2021 and was completed in April 2021 following an agreed price uplift to the Buckinghamshire older people block contract effective from 1 April 2021.

At 31 March 2021 the cash balance was £2,256,000 (2020: £1,157,000).

Fundraising Policy

The Trust does not engage in public fundraising activities by professional fund raisers or commercial participators.

Funds held on behalf of others

Please refer to Note 20 on page 29.

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Principal Risks and Uncertainties

Going Concern

The last few years have been challenging financially and unfortunately we are reporting a loss for the third year in a row. One of the older people care homes has been given a notice of proposal by CQC in September 2021, following which Buckinghamshire Council elected to start the process of removing their block residents. The Trustees have decided to de-commission the home due to it being no longer financially viable and expect this process to be completed by early 2022. This removes 75 places from the Trust's portfolio (30 block, 45 private) which puts considerable strain on the ongoing financial performance overall and this will be closely monitored.

Given the above and the assumption that improvements in hand will avoid any de-commissioning of additional older peoples care homes, the Board is satisfied that it is appropriate for the financial statements to be prepared on a going concern basis, and that there are no material uncertainties that may cast doubt on this assumption for a period of at least 12 months from the approval of these accounts.

Risk Management

The Trustees have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finances of The Fremantle Trust, and are satisfied that systems are in place to manage the exposure to the major risks. The Risk Register is reviewed regularly by the Audit and Risk Committee and at each Board meeting. The major risks identified during the period which this report covers were the pandemic and its impact on financial viability and the IT ransomware attack. This process has also continued to identify as a major risk the continuing increases in contributions into the local government pension scheme of which some of our staff are members, although this risk has now ceased as explained in the next section. Also identified are Regulatory/Operational risks (failure to meet CQC standards or failures in safeguarding, health and safety etc.), which are regularly monitored by the Trustee Care Panel and the risks around recruitment and retention of care staff. Identified risks are scored and then following the Charity Commission's guidance a decision is made as to whether to treat, tolerate, transfer or terminate each risk.

Pensions Risk

The Fremantle Trust had a FRS 102 deficit arising from its membership as an admitted body of the Buckinghamshire County Council LGPS. As explained above, the subsumption of all current and future liabilities by Buckinghamshire Council, and exit of existing Trust employees from the LGPS from 31 July 2021 means this risk no longer exists for the Trust.

Regulatory/Operational Risk

Due to the pandemic situation there has been very little inspection activity with CQC and so the ratings for all our registered services remain the same except for Carey lodge which was visited in July and August 2021 and has been rated Inadequate. All the learning disability services are rated as Good with one rated Outstanding. For the older people's homes there is one rated Outstanding, five rated as Good, three are Requires Improvement and two Inadequate. The quality of our services forms a key part of the Corporate Plan and Trustees are committed to achieving continuous improvement. Our own internal quality audits have continued as much as possible within restrictions and the new Director of Care Quality and Compliance has been able to start to build on these.

THE FREMANTLE TRUST

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2021

Internal Financial Audit

This Internal Audit programme has not been achieved again during the year as there has been continued churn in staffing within the Finance Department together with restrictions on non essential visits to services. The new Financial Controller has a plan in place to restart this programme in October 2021.

Plans for the Future

The existing Corporate Plan has identified the priorities and plans for the Trust prior to the coronavirus pandemic and improving the quality of our services remains a high priority. Following the positive negotiations with Buckinghamshire Council we are now in a position to commence planning delivery of the transformation programme subject to constraints from private occupancy growth. Buckinghamshire Council are the key partner for the Trust to deliver over the coming years the improvements set out in the Corporate Plan

By order of the Board of Trustees

Jim Burness
Chair of the Board
Date: 24 November 2021

THE FREMANTLE TRUST

INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31 MARCH 2021

Opinion

We have audited the financial statements of The Fremantle Trust (the 'charitable company') for the year ended 31 March 2021 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other Information

The other information comprises the information included in the trustees' annual report, including the strategic report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

THE FREMANTLE TRUST

INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31 MARCH 2021

Opinions on other matters prescribed by the Companies Act 2006

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

- The information given in the trustees' annual report, including the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual report, including the strategic report, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report including the strategic report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

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

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 (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and the audit and risk committee, which included obtaining and reviewing supporting documentation, concerning the Trust's policies and procedures relating to:
- Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;

THE FREMANTLE TRUST

INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31 MARCH 2021

- Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
- The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the Trust operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the Trust from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Fleur Holden (Senior statutory auditor)
9 December 2021
for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

THE FREMANTLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2021

		Unrestricted Funds	Restricted Funds		Unrestricted Funds	Restricted Funds	
	Notes	2021 £'000	2021 £'000	Total 2021 £'000	2020 £'000	2020 £'000	Total 2020 £'000
Income and endowments from:							
Charitable activities	3	42,333	2,863	45,196	46,343	-	46,343
Total income		42,333	2,863	45,196	46,343	-	46,343
Expenditure							
Charitable activities:							
- Care and support services costs	4	(43,743)	(2,863)	(46,606)	(46,537)	(1)	(46,538)
Total expenditure		(43,743)	(2,863)	(46,606)	(46,537)	(1)	(46,538)
Net expenditure before other recognised gains and losses		(1,410)	-	(1,410)	(194)	(1)	(195)
Actuarial (loss)/gains on defined benefit pension schemes	23	(1,762)	-	(1,762)	5,003	-	5,003
Net movement in funds		(3,172)	-	(3,172)	4,809	(1)	4,808
Funds brought forward		(13,011)	82	(12,929)	(17,820)	83	(17,737)
Funds carried forward	15	(16,183)	82	(16,101)	(13,011)	82	(12,929)

The Trust made no gains or losses in this year or the previous year other than those included in the results above, which represent the continuing activities of the Trust.

There is no difference between the Statement of Financial Activities and the Income and Expenditure account. Consequently, no separate Income and Expenditure account has been presented. A memorandum income and expenditure account is included in note 2 to make clear the operating results excluding the FRS 102 pension disclosures.

THE FREMANTLE TRUST

BALANCE SHEET AS AT 31 MARCH 2021

Company no. 02722437

	Notes	2021 £'000	2021 £'000	2020 £'000	2020 £'000
Fixed Assets					
Tangible fixed assets	8		<u>4,942</u>		<u>4,677</u>
			4,942		4,677
Current assets					
Debtors	10	3,403		4,265	
Cash at bank and in hand		<u>2,256</u>		<u>1,157</u>	
		5,659		5,422	
Liabilities					
Creditors: amounts falling due within one year	11	<u>(6,267)</u>		<u>(5,191)</u>	
Net current (liabilities) / assets			<u>(608)</u>		<u>231</u>
Total assets less current liabilities			4,334		4,908
Creditors: amounts falling due after one year	13		(1,196)		(901)
Provisions for liabilities and charges	14		(150)		(150)
Net assets excluding pension liability			<u>2,988</u>		<u>3,857</u>
Defined benefit pension scheme liability	23		(19,089)		(16,786)
Total net liabilities			<u>(16,101)</u>		<u>(12,929)</u>
The funds of the charity					
Restricted income funds	16		82		82
Unrestricted income funds:					
Revaluation Reserve		1,585		1,603	
General funds		1,321		2,172	
Pension reserve		<u>(19,089)</u>		<u>(16,786)</u>	
Total unrestricted funds			(16,183)		(13,011)
Total charity funds			<u>(16,101)</u>		<u>(12,929)</u>

Approved by the trustees on 24 November 2021 and signed on their behalf by

Jim Burness - Director

Stephanie McMahon - Director

THE FREMANTLE TRUST

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2021

	Notes	£'000	Year ended 31-Mar 2021 £'000	£'000	Year ended 31-Mar 2020 £'000
Cash flow from operating activities					
Net cash provided by operating activities	22		1,812		359
Cash flows from investing activities:					
Purchase of fixed assets		<u>(662)</u>		<u>(606)</u>	
Net cash provided by (used in) investing activities			(662)		(606)
Cash flows from financing activities					
Repayments of borrowing		<u>(51)</u>		<u>(59)</u>	
Net cash used in financing activities			(51)		(59)
Change in cash and cash equivalents in the year			1,099		(306)
Cash and cash equivalents at the beginning of the year			1,157		1,463
Cash and cash equivalents at the end of the year			<u>2,256</u>		<u>1,157</u>

THE FREMANTLE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1 ACCOUNTING POLICIES

(a) Statutory information

The Fremantle Trust is a charitable company limited by guarantee and is incorporated in England and Wales. The registered office address is Woodley House, 64/65 Rabans Close, Aylesbury, Bucks, HP19 8RS.

(b) Basis of preparation

These financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

(c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

(d) Going concern

The charity has continued to face financial challenges in recent years, despite some successes, the charity does have net current liabilities at the end of the reporting period. This was predominantly due to deferring PAYE payments as part of the HMRC Time To Pay Arrangement under the support measures provided during the COVID-19 disruption. Management and the board continue to work on the financial sustainability of the charity. This includes ongoing work on debtor recovery and management of agency costs, discussions around the pensions with relevant external stakeholders, and seeking external professional advice on the operating model. The charity has also stayed in regular contact with its bank to keep them updated on the operating and cash position. The charity has been continuing discussions with its major local authority commissioner with a view to enabling the charity's ongoing operational and financial sustainability. The trustees therefore consider that there are no material uncertainties about the charity's ability to continue as a going concern, the annual financial statements have therefore been prepared on that basis..

The Trustees do not consider that there are any sources of estimate uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of the assets and liabilities within the next reporting period.

(e) Fund accounting

All funds received from operations are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. The restricted funds are the total of monies held in independent bank accounts on behalf of services. Many of our homes will hold fundraising events, often with a view to purchasing a particular item for the home. Decisions regarding how any funds raised are spent are taken in conjunction with the people who use our services.

(f) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

THE FREMANTLE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1 ACCOUNTING POLICIES (CONTINUED)

(g) Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources. Premises overheads have been allocated on the basis of usage and other overheads have been allocated on the basis of staff time.

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

(h) Tangible fixed assets

Tangible fixed assets costing more than £500 are capitalised and included at cost together with any incidental expenses of acquisition.

Land	Not depreciated
Freehold property	30-50 years
Freehold improvements	15 years
Leasehold improvements	10-50 years in accordance with the remaining period of the lease, or remaining useful life if shorter
Computer equipment	3 years
Office equipment	5 years
Equipment and furniture at homes	5 years or remaining useful life if shorter
Motor vehicles	4 years

Freehold properties and long lease hold properties have a full valuation by a qualified external valuer with sufficient regularity to ensure that the carrying amount does not differ materially from their fair value at the end of the reporting period.

(i) Leased assets

Assets acquired under finance leases are capitalised in the balance sheet and depreciated over their useful economic lives. The cost of interest under the terms of the finance lease is charged to the SOFA on a reducing balance basis over the period of the lease. Amounts paid under operating leases are charged to the SOFA on a straight line basis over the term of the lease.

(j) Pensions

(1) Local Government Pension Schemes

Until 30 September 1998, staff were eligible to join the Buckinghamshire County Council Superannuation Fund, which is a defined benefit pension scheme contracted out of the state scheme. Contributions to the County Council scheme are charged to the SOFA with the result that pensions costs are spread over the working lives of the membership, taking account of any prior service with Buckinghamshire County Council.

THE FREMANTLE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1 ACCOUNTING POLICIES (CONTINUED)

(j) Pensions (continued)

(2) NHS Pension Scheme

The NHS Pension Scheme is an unfunded multi-employer scheme, the provisions of which are contained in the NHS Pension Scheme Regulations (SI 1995 No.300). The NHS Pension Scheme is notionally funded, with payment liabilities underwritten by the Exchequer. NHS Pension Scheme accounts are prepared annually by the NHS Pensions Agency. The Government Actuary's Department values the NHS Pension Scheme every four years, and these reports are published.

Between valuations the Government Actuary's department provides an update of the NHS Pension scheme liabilities on an annual basis. The latest assessment of the liabilities of the NHS Pension Scheme is contained in the Report of the Actuary, which forms part of the NHS Pension Scheme & Compensation for Premature Retirement Scheme Resource Accounts, published annually. These accounts can be viewed on the NHS Pensions Agency website at www.nhsbsa.nhs.uk/pensions. Copies can also be obtained from the Stationery Office.

Under NHS Pension Scheme regulations, participating employees are required to pay contributions, as specified by the Secretary of State for Health. These contributions are used to defray the costs of providing the NHS Pension Scheme benefits.

The Trust is unable to identify its share of the underlying assets and liabilities of the NHS pension scheme. Having sought advice, the Trust considers that FRS 102 requires the scheme should be accounted for as defined contribution in nature.

(3) Defined Contribution Schemes

From 1 October 1998 staff were eligible to join the Fremantle Trust Group Personal Pension Plan, managed by Equitable Life, which is a defined contribution scheme. Contributions are charged to the SOFA in the working period to which they relate. This scheme was closed to new admissions from 30 November 2000.

From 1 June 2001 staff were eligible to join a Stakeholder Pension Scheme, which is a defined contribution scheme. Contributions are charged to the SOFA in the working period to which they relate.

(k) Property repairs and maintenance and related accruals

Provision for dilapidations (where it is our responsibility) is accrued (Note 14). Normal ongoing maintenance is charged to the SOFA in the year incurred.

THE FREMANTLE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (CONTINUED)

2 MEMORANDUM FINANCIAL STATEMENTS EXCLUDING FRS 102 ACTUARIALLY CALCULATED PENSIONS COSTS/BENEFITS AND RESTRICTED FUNDS

Memorandum Income And Expenditure Account

The figures below show the operating results excluding the adjustments made as a result of FRS 102 requirements and restricted funds, both notional amounts and actual cash amounts paid.

	Unrestricted Funds	
	General 2021 £'000	Total 2020 £'000
Total income as per Statement of Financial Activities	<u>42,333</u>	46,343
Expenditure		
Total expenditure as per Statement of Financial Activities	(43,743)	(46,537)
Less pension costs / (benefits)	705	(295)
Total expenditure	<u>(43,038)</u>	<u>(46,832)</u>
Operating Loss	(705)	(489)
Funds brought forward excluding FRS 102 deficit	3,675	4,164
Funds carried forward excluding FRS 102 deficit	<u>2,970</u>	<u>3,675</u>

Memorandum Balance Sheet

The figures below show the balance sheet position as at 31 March 2021 excluding the pension liability and any adjustments made as a result of FRS 102 requirements.

	2021 £'000	2021 £'000	2020 £'000	2020 £'000
Fixed Assets				
Tangible fixed assets		<u>4,942</u>		<u>4,677</u>
		4,942		4,677
Current assets				
Debtors	3,403		4,265	
Cash at bank and in hand	<u>2,256</u>		<u>1,157</u>	
	5,659		5,422	
Liabilities				
Creditors: amounts falling due within one year	<u>(6,267)</u>		<u>(5,191)</u>	
Net current (liabilities) / assets		<u>(608)</u>		<u>231</u>
Total assets less current liabilities		4,334		4,908
Creditors: amounts falling due after one year		(1,196)		(901)
Provisions for liabilities and charges		(150)		(150)
Total net assets		<u>2,988</u>		<u>3,857</u>
The funds of the charity				
Restricted income funds		82		82
Unrestricted income funds:				
Revaluation Reserve	1,585		1,603	
General funds	<u>1,321</u>		<u>2,172</u>	
Total unrestricted funds		2,906		3,775
Total charity funds excluding FRS 102 deficit		<u>2,988</u>		<u>3,857</u>

THE FREMANTLE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (CONTINUED)

3 INCOME FROM CHARITABLE ACTIVITIES

All incoming resources arise solely within England and are in respect of care and support for adults.

Sources of income are shown below.

	2021	2020
	Total	Total
	£'000	£'000
Income from contracts with local authorities	17,370	16,557
Income from contracts with Catalyst Housing Group	524	540
Income from client contributions and private sales	24,439	29,246
	<u>42,333</u>	<u>46,343</u>

4 ANALYSIS OF EXPENDITURE

a)

Charitable Activities - Current Year:	Care and Support	Management of care and support	Governance	Support	2021
	Services	services	Costs	Costs	Total
	£'000	£'000	£'000	£'000	£'000
Staff costs (Note 5)	29,305	3,398	-	-	32,703
Premises costs	7,380	-	-	70	7,450
Hotel costs	413	-	-	-	413
Recruitment, Training etc	1,108	-	-	-	1,108
Travel expenses	85	36	-	2	123
Regulatory costs (CQC)	131	-	-	-	131
Information technology and equipment support	-	-	-	515	515
Postage, stationery, photocopying, telephone	130	-	-	238	368
Establishment costs and general office expenditure	-	-	-	73	73
Legal and professional fees	-	-	-	643	643
Publicity and general advertising	-	-	-	25	25
Service development	-	-	-	16	16
Voluntary fund accounts	2,863	-	-	-	2,863
Audit - external	-	-	43	-	43
Trustees' expenses	-	-	-	-	-
Bad Debt charge	132	-	-	-	132
	<u>41,547</u>	<u>3,434</u>	<u>43</u>	<u>1,582</u>	<u>46,606</u>
Support Costs	949	633	-	(1,582)	-
Governance Costs	-	43	43	-	-
Total expenditure 2021	<u>42,496</u>	<u>4,110</u>	<u>-</u>	<u>-</u>	<u>46,606</u>
Total expenditure 2020	<u>42,538</u>	<u>4,000</u>	<u>-</u>	<u>-</u>	<u>46,538</u>

Charitable Activities - Prior Year 2020:	Care and Support	Management of care and support	Governance	Support	2020
	Services	services	Costs	Costs	Total
	£'000	£'000	£'000	£'000	£'000
Staff costs (Note 5)	29,989	3,433	-	-	33,422
Premises costs	7,606	-	-	72	7,678
Hotel costs	3,034	-	-	-	3,034
Recruitment, Training etc	875	-	-	-	875
Travel expenses	84	73	-	13	170
Regulatory costs (CQC)	150	-	-	-	150
Information technology and equipment support	-	-	-	483	483
Postage, stationery, photocopying, telephone	125	-	-	210	335
Establishment costs and general office expenditure	-	-	-	56	56
Legal and professional fees	-	-	-	220	220
Publicity and general advertising	-	-	-	37	37
Service development	-	-	-	33	33
Voluntary fund accounts	1	-	-	-	1
Audit - external	-	-	39	-	39
Trustees' expenses	-	-	5	-	5
Bad Debt charge	-	-	-	-	-
	<u>41,864</u>	<u>3,506</u>	<u>44</u>	<u>1,124</u>	<u>46,538</u>
Support Costs	674	450	-	(1,124)	-
Governance Costs	-	44	(44)	-	-
Total expenditure 2020	<u>42,538</u>	<u>4,000</u>	<u>-</u>	<u>-</u>	<u>46,538</u>

b) Net expenditure for the year is stated after charging the following:

	2021	2020
	£'000	£'000
Auditors' remuneration (excluding VAT):		
- audit fee	33	33
Operating leases-other	140	210
Operating leases-land and buildings	5,838	5,702
Loss on disposal of assets	18	142
Depreciation on tangible fixed assets	<u>370</u>	<u>394</u>

THE FREMANTLE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (CONTINUED)

5 ANALYSIS OF STAFF COSTS AND THE COST OF KEY MANAGEMENT PERSONNEL

	2021	2020
	£'000	£'000
Wages and salaries	26,357	26,260
Agency costs	2,540	3,635
Redundancy and termination costs	49	78
Social security costs	1,897	1,977
Employers contribution to defined contribution pension schemes	679	765
Employers contribution to defined benefit schemes	476	1,002
Operating costs of defined benefit pension schemes	705	(295)
	32,703	33,422

Actual cash employer contributions to the Buckinghamshire LGPS amounted to £559,529 (2020: £941,063) and to the NHS Pension scheme £11,161 (2020: £24,293) making a total for the year of £570,690 (2020: £965,356) to defined benefit schemes. The total amount outstanding at the end of the year was £35,550 (2020: £78,595). Employer contributions to the defined contribution schemes amounted to £678,726 (2020: £756,420) for the year, with £55,200 (2020: £50,611) outstanding as at 31 March 2021.

For the year ended 31 March 2021, employees of the NHS scheme were required to pay contributions of 5% to 12.5% of pensionable pay. The employer's contribution amounted to 14.38% of pensionable pay, which is charged to the statement of financial activities as and when it becomes due.

The monthly average number of employees (excluding agency) during the year was as follows:

	Headcount	
	2021	2020
	Number	Number
Direct staff at homes	1,481	1,580
Direct services support	32	32
Finance and administration	54	42
	1,567	1,654

The following number of employees received employee benefits (excluding employer pension costs) during the year between:-

	2021	2020
	Number	Number
£60,000 to £69,999	8	9
£70,000 to £79,999	1	3
£80,000 to £89,999	1	-
£90,000 to £99,999	1	1
£120,000 to £129,999	1	1
	12	14

The total employee benefits including pension and national insurance contributions of the key management personnel were £543,900 (2020: £962,065). The reduction in employee benefits was due to fewer key management personnel during 20/21 compared to 19/20.

All staff are eligible to participate in the pension scheme, including staff on relief contracts.

THE FREMANTLE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (CONTINUED)

6 RELATED PARTY TRANSACTIONS

a) No trustees received any emoluments for their services to Fremantle (2020 : £Nil). Their necessary travel expenses incurred in fulfilling their duties for the company are reimbursed by Fremantle and amounted to £23 (2020 : £5,145)

relating to 1 (2020 : 9) trustees.

b) Fremantle is an Admitted Body member of two local government pension schemes, the London Borough of Barnet scheme and the Buckinghamshire County Council scheme.

c) One of the trustees, Georgina Turner, serves as Director of Engagement for Skills for Care Solutions Limited. The Trust utilised the services of Skills for Care Solutions Limited to provide management and leadership courses aggregating £5,279 to the year ending 31 March 2021 (2020 : £Nil).

d) No other related party transactions occurred which would need to be disclosed in accordance with FRS 102.

7 TAXATION

Fremantle is a registered charity and therefore is exempt from corporation tax on its charitable activities under section 505 of the Taxes Act 1988. Fremantle is

8 TANGIBLE FIXED ASSETS

	Freehold and Leasehold property	Leasehold improvements	Office and computer equipment	Equipment and furniture at homes	Motor Vehicles	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation:						
At 1 April 2020	3,995	187	1,530	2,363	24	8,099
Additions	350	14	111	187	-	662
Disposals	-	-	(10)	(164)	-	(174)
At 31 March 2021	4,345	201	1,631	2,386	24	8,587
Accumulated Depreciation:						
At 1 April 2020	115	46	1,464	1,773	24	3,422
Charge for year	115	25	49	184	-	373
Disposals	-	-	(10)	(140)	-	(150)
At 31 March 2021	230	71	1,503	1,817	24	3,645
Net Book value:						
At 31 March 2021	4,115	130	128	569	-	4,942
At 31 March 2020	3,880	141	66	590	-	4,677

Land with a value of £115,400 (2020: £115,400) is included in freehold property and not depreciated.

All of the above assets are used for charitable purposes.

9 REVALUATION

Woodley House, Woodley House, 64-65 Rabans Close, Aylesbury, HP19 8RS, Registered Office for The Fremantle Trust, was valued by James McKelvie of Sanderson Weatherall LLP on 30 July 2021 at £690,000. This is on a free vacancy basis.

Mulberry Court, Gold Hill East, Chalfont St Peter, Buckinghamshire SL9 9DL, a 24 place dementia care home, was valued by James McKelvie of Sanderson Weatherall LLP on 30 July 2021 at £3,250,000. This is on a value in use basis.

The valuations of both properties have not changed since the last valuation undertaken on 31 March 2020. The Trustees are satisfied that both assets have been valued at fair value. The valuations were carried out on a desk-top basis and therefore did not take into account the subsequent improvements made to Mulberry Court costing £334,857 and to Woodley House costing £1,692. The trustees therefore deem it appropriate to add these costs to the overall valuation of the property.

The historic cost equivalent of land and buildings included at valuation are as follows:

	Woodley House	Mulberry Court	Freehold and leasehold property	Woodley House	Mulberry Court	Freehold and leasehold property
	£'000 2021	£'000 2021	£'000 2021	£'000 2020	£'000 2020	£'000 2020
Cost	602	3,085	3,687	600	2,750	3,350
Accumulated depreciation	(82)	(482)	(563)	(68)	(397)	(465)
At the end of the year	<u>520</u>	<u>2,603</u>	<u>3,124</u>	<u>532</u>	<u>2,353</u>	<u>2,885</u>

THE FREMANTLE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

10 DEBTORS

	2021 £'000	2020 £'000
Residents' fees receivable	3,076	3,580
Other debtors	24	209
Prepayments and accrued income	303	476
	3,403	4,265

11 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £'000	2020 £'000
Allied Irish Bank (GB) loan	49	49
Trade creditors	3,447	3,299
Tax and social security	1,116	446
Other creditors	249	277
Accruals	1,085	1,120
Deferred Income	321	-
	6,267	5,191

12 DEFERRED INCOME ANALYSIS

	2021 £'000	2020 £'000
Balance at the beginning of the year	-	143
Amount released to income in the year	-	(296)
Amount deferred in the year	321	153
	321	-

Balance as at the end of the year

Deferred income arises from contract income which is invoiced quarterly in advance.

13 CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	2021 £'000	2020 £'000
Allied Irish Bank (GB) loan	170	221
BCC Advance - Due on termination of contract	680	680
Deferred HMRC - Due after 12 months	346	-
	1,196	901

A bank loan of £500,000 was entered into with Allied Irish Bank on 31 March 2015 and is a 5 year loan agreement with AIB, with a 3.25% variable annual interest charge, being 2.75% above base rate. This is secured by a mortgage against the two wholly owned properties. Following a formal review on 2nd October 2019, this loan has been extended by a further five years on the same terms and will be paid in full at 31 March 2025. AIB have also provided a Guarantee Bond in favour of the London Borough of Barnet to the value of £800,000 in respect of the local government pension scheme and an overdraft facility up to £750,000. These are secured by a fixed and floating charge over all chargeable assets. The balance due on the loans is included in note 11 and above in this note. The formal annual review of the facilities on 2nd October 2019 reached agreement to continue the overdraft and Guarantee Bond for a further 12 months. The overdraft facilities were renewed in July 2021 but the Bond has now expired and has not been renewed following the transfer of business to Barnet.

THE FREMANTLE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (CONTINUED)

14 PROVISIONS FOR LIABILITIES AND CHARGES

	1 April 2020 £'000	Charged to Statement of financial activities £'000	Utilised during the year £'000	31 March 2021 £'000
Dilapidation provision	150	-	-	150
	<u>150</u>	<u>-</u>	<u>-</u>	<u>150</u>

15 ANALYSIS OF NET ASSETS / LIABILITIES BETWEEN FUNDS

CURRENT YEAR	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000
Tangible fixed assets	4,942	-	4,942
Net current liabilities	(690)	82	(608)
Creditors due > 1 year	(1,196)	-	(1,196)
Provisions for liabilities and charges	(150)	-	(150)
Defined benefit pension Liability	(19,089)	-	(19,089)
Net (liabilities)/assets at the end of the year	<u>(16,183)</u>	<u>82</u>	<u>(16,101)</u>

PRIOR YEAR

Tangible fixed assets	4,677	-	4,677
Net current assets	149	82	231
Creditors due > 1 year	(901)	-	(901)
Provisions for liabilities and charges	(150)	-	(150)
Defined benefit pension Liability	(16,786)	-	(16,786)
Net (liabilities)/assets at the end of the year	<u>(13,011)</u>	<u>82</u>	<u>(12,929)</u>

16 MOVEMENT OF FUNDS

CURRENT YEAR	At the start of the year £'000	Income and gains £'000	Expenditure and losses £'000	Transfers £'000	At the end of the year £'000
Restricted funds:					
Voluntary fund accounts	<u>82</u>	<u>2,863</u>	<u>(2,863)</u>	<u>-</u>	<u>82</u>
Unrestricted funds					
Revaluation reserve	1,603	-	(18)	-	1,585
General funds	2,172	39,470	(40,321)	-	1,321
Total unrestricted funds	<u>3,775</u>	<u>39,470</u>	<u>(40,339)</u>	<u>-</u>	<u>2,906</u>
Pension reserve	(16,786)	-	(2,303)	-	(19,089)
Total funds including pension fund	<u>(12,929)</u>	<u>42,333</u>	<u>(45,505)</u>	<u>-</u>	<u>(16,101)</u>

PRIOR YEAR

Restricted funds:					
Voluntary fund accounts	<u>83</u>	<u>-</u>	<u>(1)</u>	<u>-</u>	<u>82</u>
Unrestricted funds					
Revaluation reserve	1,621	-	(18)	-	1,603
General funds	2,644	46,343	(46,815)	-	2,172
Total unrestricted funds	<u>4,265</u>	<u>46,343</u>	<u>(46,833)</u>	<u>-</u>	<u>3,775</u>
Pension reserve	(22,084)	-	5,298	-	(16,786)
Total funds including pension fund	<u>(17,736)</u>	<u>46,343</u>	<u>(41,536)</u>	<u>-</u>	<u>(12,929)</u>

Purposes of restricted funds

The Restricted Fund represents the total of individual services Voluntary fund accounts. These amounts have been raised by each service for the benefit of the people who live there and are spent in accordance with their wishes.

Revaluation reserve

The revaluation reserve represents the total cumulative unrealised gains on the revaluation of properties held as fixed assets.

THE FREMANTLE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (CONTINUED)

17 LIMITED BY GUARANTEE

The Fremantle Trust is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The total number of such guarantors at 31 March 2021 was 12 (2020: 12).

18 CAPITAL COMMITMENTS

There were no outstanding capital commitments as at 31 March 2021.

19 OPERATING LEASES

The charity's total future minimum lease payments under non cancellable operating leases is as follows for each of the

	2021		2020	
	£'000	£'000	£'000	£'000
	Land and buildings	Other	Land and buildings	Other
Less than one year	5,766	140	5,611	184
One to five years	28,554	183	27,753	54
Over five years	81,693	-	85,317	-
Total future minimum lease payments	116,013	323	118,681	238

The lease commitment future payments as adjusted for inflation were discounted at a rate of 3.25% to obtain the present value of each lease.

20 RESIDENTS' SAVINGS ACCOUNTS

Where necessary and desirable, and as part of the support plan, Fremantle will provide support to service users who need help managing their personal finances. A "Residents' Savings Account" is operated at most of our homes (particularly those for older people) where service users may choose to deposit their money. These accounts are set up in the name of the home and administered at home level on behalf of the service users. They are reconciled regularly and service users are provided with individual statements to keep them informed of their balance. The Head Office Finance department have electronic access to the homes records and the internal audit regularity review includes checks on these accounts. The total value of residents' savings accounts as at 31 March 2021 amounted to £844,711 (2020: £797,810).

21 CONTINGENT LIABILITY

The FRS 102 deficit shown on the face of the accounts arises due to the Charity's admitted body membership of the Buckinghamshire Local Government Pension Scheme (LGPS) following transfer of employees when the charity was set up in 1992. Following negotiations with Buckinghamshire Council and LGPS Actuary during early 2021, the Trust ceased to be an admitted body of this scheme and all liability has been subsumed by Buckinghamshire Council from 31 July 2021 and this will be reflected in 2021-22 statutory accounts. No exit debt payment was required, all active Trust employees have left this scheme and the Trust has been discharged from all current and future liabilities.

The Fremantle Trust took over the provision of nursing and association care to the residents of Leonard Pulham Limited in

22 RECONCILIATION OF NET EXPENDITURE TO NET CASHFLOW FROM OPERATING ACTIVITIES

	2021	2020
	£'000	£'000
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(1,410)	(195)
Pension movement	541	(297)
Depreciation	373	394
Increase/(decrease) in provisions	-	150
Loss on disposal of fixed assets	24	143
Decrease in debtors	862	209
Increase/(decrease) in creditors	1,076	(45)
Increase in Creditors due after one year	346	-
Net cash inflow from operating activities	1,812	359

THE FREMANTLE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (CONTINUED)

23 PENSIONS

Defined Contribution Scheme

For the year ended 31 March 2021, the number of staff who contributed to the scheme was 1,009 (2020: 959).

NHS Pension Scheme

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2021, is based on valuation data as 31 March 2020, updated to 31 March 2021 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking in to account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019 to 20.6% of pensionable pay. The 2016 funding valuation was also expected to test the cost of the Scheme relative to the employer cost cap that was set following the 2012 valuation. In January 2019, the Government announced a pause to the cost control element of the 2016 valuations, due to the uncertainty around member benefits caused by the discrimination ruling relating to the McCloud case.

The Government subsequently announced in July 2020 that the pause had been lifted, and so the cost control element of the 2016 valuations could be completed. The Government has set out that the costs of remedy of the discrimination will be included in this process. HMT valuation directions will set out the technical detail of how the costs of remedy will be included in the valuation process. The Government has also confirmed that the Government Actuary is reviewing the cost control mechanism (as was originally announced in 2018). The review will assess whether the cost control mechanism is working in line with original government objectives and reported to Government in April 2021. The findings of this review will not impact the 2016 valuations, with the aim for any changes to the cost cap mechanism to be made in time for the completion of the 2020 actuarial valuations.

THE FREMANTLE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (CONTINUED)

23 PENSIONS (CONTINUED)

Buckinghamshire County Council Superannuation Scheme

The information in this note refers to the Local Government Pension Scheme of which the Fremantle Trust is an admitted body. The scheme actuaries are appointed by the scheme trustees. The Fremantle Trust are not trustees of the scheme and have no input to the policies set by the scheme trustees or their actuaries.

The fund position of the scheme is as follows:

	31 Mar 2021 £000's	31 Mar 2020 £000's
Resources expended - FRS 102 pension related costs	<u>541</u>	<u>(295)</u>
Actuarial gains / (losses)	<u>(1,762)</u>	<u>4,666</u>
Pension liability	<u>(19,089)</u>	<u>(16,786)</u>

The valuations used for FRS 102 disclosures have been based on the most recent actuarial valuation performed as at 31 March 2016 and updated by Barnett Waddingham, the actuary, to take account of requirements of the FRS 102 standard in order to assess the liabilities of the scheme at 31 March 2018. Scheme assets are stated at their current bid value at 31 March 2021. The major assumptions used by the actuary were:

	31-Mar 2021	31-Mar 2020
Rate of increases in salaries	3.85%	2.95%
Rate of increase in pensions in payment	2.85%	1.95%
Discount rate	2.0%	2.35%
Inflation assumption: CPI	2.35%	0.85%
RPI	2.85%	1.95%

The asset allocation and the expected rate of return were:

	Asset Allocation		Asset Allocation	
	£000's	31-Mar-21 %	£000's	31-Mar-20 %
Gilts	2,626	9.0	2,111	9.0
Equities	16,189	59.0	12,929	53.0
Other Bonds	4,187	15.0	4,519	18.0
Property	1,650	6.0	1,805	7.0
Cash	396	1.0	597	2.0
Alternative assets	326	1.0	193	1.0
Hedge Funds	1,301	5.0	1,242	5.0
Absolute Return Portfolio	1,244	4.0	1,145	5.0
	<u>27,919</u>	<u>100</u>	<u>24,541</u>	<u>100</u>

Mortality Assumptions

The assumed life expectations from age 65 are:

	31-Mar 2021	31-Mar 2020
Retiring today:		
Males	21.6	21.8
Females	25.0	25.1
Retiring in 20 years:		
Males	22.9	23.2
Females	26.4	26.5

THE FREMANTLE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (CONTINUED)

23 PENSIONS (CONTINUED)

Sensitivity analysis

The following table sets out the impact of a change in the discount rates on the Total Obligation and Projected Service Cost along with a +/- 1 year age rating adjustment to the mortality assumption.

	31-Mar-21	31-Mar-20
	£000s	£000s
Adjustment to discount rate	+0.1%	+0.1%
Present value of defined benefit obligation	46,316	40,722
Projected Service Cost	188	189
	£000s	£000s
Adjustment to mortality age rating assumption	+1 year	+1 year
Present value of defined benefit obligation	49,629	43,869
Projected Service Cost	201	199

There is no provision for unitising the assets of a Fund under the Local Government Pension Scheme. (LGPS). The assets as a whole are allocated to participating bodies on a consistent and reasonable basis.

The assets and liabilities in the scheme attributable to The Fremantle Trust at 31 March 2021 measured in accordance with the requirements of FRS 102 are as follows:

	31-Mar-21	31-Mar-20
	£'000	£'000
Total fair value of assets	27,919	24,541
Present value of scheme liabilities	(46,114)	(40,410)
Deficit in the scheme	<u>(18,195)</u>	<u>(15,869)</u>

Amounts charged to operating profit

	Year to	Year to
	31-Mar-21	31-Mar-20
	£'000	£'000
Service cost	285	219
Net interest on the defined liability	393	498
Administration expenses	27	24
Total operating charge	<u>705</u>	<u>741</u>

The employee benefit obligations recognised in the balance sheet are as follows:

	Year to	Year to
	31-Mar-21	31-Mar-20
	£'000	£'000
Present value of funded obligations	46,114	40,410
Fair value of plan assets	(27,919)	(24,541)
	<u>18,195</u>	<u>15,869</u>
Present value of unfunded obligations	894	917
y in the balance sheet	<u>19,089</u>	<u>16,786</u>

THE FREMANTLE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (CONTINUED)

23 PENSIONS (CONTINUED)

Remeasurement of the net assets / (defined liability)

	Year to 31-Mar-21 £'000	Year to 31-Mar-20 £'000
Return on Fund assets in excess of interest	4,612	(1,550)
Other actuarial gains/(losses) on assets	-	584
Change in demographic assumptions	456	98
Experience gain/(loss) on defined benefit obligation	623	2,349
Changes in financial assumptions	<u>(7,453)</u>	<u>3,185</u>
Remeasurement of the net assets / (defined liability)	<u>(1,762)</u>	<u>4,666</u>

The history of assets, liabilities and surplus/deficit is as follows;

	Year to 31-Mar-21 £'000	Year to 31-Mar-20 £'000	Year to 31-Mar-19 £'000	Year to 31-Mar-18 £'000	Year to 31-Mar-17 £'000
Defined Benefit Obligation	(46,114)	(40,410)	(46,441)	(47,376)	(48,368)
Scheme assets	27,919	24,541	25,694	25,063	24,213
Deficit	(18,195)	(15,869)	(20,747)	(22,313)	(24,155)
Return on Fund assets in excess of interest	4,612	(1,550)	676	779	2,889
Experience gain/(loss) on defined benefit obligation	-	-	-	-	634
Cumulative actuarial gain (loss)	(2,503)	(741)	(5,407)	(6,995)	(8,845)

The movement in the deficit during the year is due to the following:

	Year to 31-Mar-21 £'000	Year to 31-Mar-20 £'000
Deficit at the beginning of the year	(16,786)	(21,747)
Service cost	(145)	(219)
Employer contributions	81	946
Unfunded pension payments	83	90
Past service costs	(140)	-
Other finance costs	(420)	(522)
Actuarial gain/(loss)	<u>(1,762)</u>	<u>4,666</u>
Deficit at the end of the year	<u>(19,089)</u>	<u>(16,786)</u>

THE FREMANTLE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (CONTINUED)

23 PENSIONS (CONTINUED)

Reconciliation of opening & closing balances of the fair value of Scheme assets

	Year to 31-Mar-21 £ 000's	Year to 31-Mar-20 £ 000's
Opening fair value of Scheme assets	24,541	25,694
Interest on assets	556	595
Return on assets less interest	4,612	(1,550)
Other actuarial gains/(losses)	-	584
Administration expenses	(27)	(24)
Contribution by employer including unfunded	164	1,036
Contributions by Fund participants	28	38
Estimated benefits paid including unfunded benefits	(1,955)	(1,832)
Fair value of Scheme assets at end of period	27,919	24,541

Reconciliation of opening & closing balances of the present value of the defined benefit obligation

	Year to 31-Mar-21 £ 000's	Year to 31-Mar-20 £ 000's
Opening defined benefit obligation	41,327	47,441
Service cost	145	219
Interest cost	949	1,093
Change in financial assumptions	7,453	(3,185)
Past service costs, including curtailments	140	-
Change in demographic assumptions	(456)	(98)
Experience loss / (gain) on defined benefit obligation	(623)	(2,349)
Estimated benefits paid net of transfers in	(1,872)	(1,742)
Contributions by scheme participants	28	38
Unfunded pension payments	(83)	(90)
Closing defined benefit obligation	47,008	41,327

Projected pension expense for the year to 31 March 2021

	Year to 31-Mar-22 £ 000's
Service cost	285
Interest cost	393
Administration expenses	27
Total	705
Employer contributions	546