

THE FREMANTLE TRUST

ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2023

Registered Company Number 2722437

Registered Charity Number 1014986

THE FREMANTLE TRUST

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2023

Reference and Administrative Information

Registered Charity	No 1014986
Limited Company	No 2722437
Company Secretary	Liz Turvey (resigned 2 September 2022) Barrie Miles (appointed 3 September 2022)
Chief Executive	Narinder Singh
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	NatWest Group 164-166 Midsummer Arcade, Milton Keynes, Bucks, MK9 3BA Allied Irish Bank (GB) 10 Berkeley Square, London W1J 6AA
Solicitors	Anthony Collins Solicitors 134 Edmund Street Birmingham, B3 2ES
Trustees	Jim Burness (Chair of the Board) Robert De Barr Louise Drew Toni Martin Georgina Turner Stephanie McMahon Karen Jones (resigned 30 January 2023) Audit and Risk Committee members: Jim Burness (Chair) Stephanie McMahon Robert de Barr Trustee Care Panel members: Georgina Turner Toni Martin Jim Burness Finance Committee members: Jim Burness (Chair) Stephanie McMahon Louise Drew HR Committee members: Karen Jones (Chair up to 30 January 2023) Georgina Turner (Chair from 31 January 2023) Toni Martin

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2023

Trustees' Report

The Trustees submit their annual report and the audited financial statements for the year ended 31 March 2023. Reference and administrative information set out on page 1 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 Group 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 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 Operations and others as required.

The Finance Committee is made up of a minimum of 3 Trustees and is attended by the Director of Finance, 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 several 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.

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

Narinder Singh	-Interim Chief Executive
Barrie Miles	-Director of Finance
Linda Zaidi	-Director of Operations
Paul Slade	-Head of IT Digital Transformation
Alex Jones	-Head of HR Operations (appointed 1 December 2022)
Helen Eyers	-Director of Care Quality and Compliance (resigned 31 May 2022)
Liz Turvey	-Company Secretary (retired 2 September 2022)
Sarah Toye	-Head of HR (resigned 31 December 2022)

Services and Activities

During the year to 31 March 2023 the Fremantle Trust provided the following services.

Services for older people

- Care homes in Buckinghamshire providing care and support for 640 (2022: 640) permanent residents and places for short term/respite residents. Originally there were 715 places, but this was reduced to 640 in October 2021 following the closure of the home in Wing

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2023

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

Learning disability services

- Care homes in Buckinghamshire and Hertfordshire providing care and support to 42 (2022: 49) permanent residents, and 3 (2022: 2) places for short term/respite services. Our 9 bed Hertfordshire residential learning disability service was reclassified to supported living in May 2022 and is now under our Milton Keynes supported living registration.
- Supported living for 191 (2022: 193) people with a learning disability (95 Bucks & 96 Milton Keynes).
- Day activities for 64 people with a learning disability

The Trust took over the provision of nursing and associated care to the residents of Leonard Pulham Limited in May 2020, which was closed in October 2020, with 13 residents helped to transfer to other homes. This was a care facility serving 34 people aged 65 and over. The Fremantle Trust is named as the Parent within the rules of Leonard Pulham Limited.

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 around 100 volunteers including:

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

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. Our Employee Assistance Programme which has a confidential telephone helpline.

The Fremantle Trust remains committed to the continuing development of our employees. The Trust's in-house People Team, comprising HR and Learning and Development teams, ensure each service has dedicated support for all people management and development purposes. Our Business and Learning Partners, work alongside managers and colleagues within the services to continue to develop, coach and train our employees. Our office-based colleagues support our wider workforce through training delivery, advice and guidance together with support in using our digital systems. In the last year this has included support for the introduction of a new digital petty cash system for the service units. The Trust's aim is to ensure a competent, suitably qualified and motivated workforce who demonstrate the values of the organisation, underpinning the provision of outstanding care and support for the people who use our services.

This year following easing of Covid restrictions, we have reintroduced face to face learning as well as continuing to provide access to our learning and development online. We align our offerings and requirements with the recommended guidance and solutions offered through Skills for Care, including their recommended requirements for mandatory training and their induction standards for new joiners. We have continued to develop our service managers and their deputies through the recommended leadership and management offerings as endorsed by Skills for Care, which enables us to equip them with the skills and knowledge to ensure they can remain flexible and resilient during times of change whilst driving continued improvement in our services. We have re-focused support for our clinical employees to ensure that there is peer group activity to support their professional development, as well as provision for external best practice. 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 and organisational objectives and offer regular training for managers and supervisors to ensure that they have the skills to carry out these reviews.

The Fremantle Trust has reported on the gender pay gap, which is 4.6% (calculated on the snapshot date of 5th April 2022). As a benchmark, the Office of National Statistics reported that the gender pay gap among all employees was 14.9%.

The Trustees agreed the Modern Slavery Statement for the year 2022/23 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. The Trust is actively working towards Phase 3 compliance with the consumption data for the twelve-month period from January to December 2022 being compiled and analysed by Elemental Consulting Group. This will form the basis of the Trust's Phase 3 progress update report due to be submitted to the Environmental Agency in December 2023.

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.

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Our energy usage in 2022/2023

Gas usage: 1,102,948 kg CO₂e (2021/22 1,188,258 Kg CO₂e)

Gas use intensity: 5,514,739 Kwh/£44.2m Income (2021/22 6,487,542 Kwh/£43.5m Income)

Electricity use: 415,331 kg CO₂e (2021/22 522,466 kg CO₂e)

Electricity use intensity: 2,147,745 Kwh/£44.3m Income (2021/22 2,460,630 Kwh/£43.5m Income)

Travel data: 45,640 kg CO₂e (2021/22. 26,907 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 group and of the incoming resources and application of resources, including the income and expenditure, of the group 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 group 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 group and the parent charitable company and enable them to ensure that the group financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group 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 parent charitable company's auditor is unaware
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the parent 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 parent charitable company are the Trustees who guarantee to contribute an amount not exceeding £1 each to the assets of the parent charitable company in the event of winding up. The total number of such guarantees on 31 March 2023 was 6 (2022: 11). The Trustees are members of the parent charitable company but this entitles them only to voting rights. The Trustees have no beneficial interest in the group or the parent 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. Since 12th May 2020, it has been the Parent of Leonard Pulham Limited which is a registered society under the Co-operative and Community Benefit Societies Act 2014. Leonard Pulham Limited was closed to residents due to the impact from Covid in May 2020 and has not re-opened since due to the unsuitability of the premises for the necessary infection control measures required. It continues to operate with private residential tenancy income and one administrative employee. Consolidation of Leonard Pulham Limited financials is explained on page 20 Section 1b of the Notes to the Financial Statements.

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.

Karen Jones resigned with effect from 30 January 2023. The Board wish to extend their thanks for all her years of service.

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 5 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.

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.

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.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2023

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: 26/9/2023

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 2023

After a challenging couple of years due to the pandemic, this has been an encouraging year for the Trust as it became more financially secure and was formally removed from Buckinghamshire Council's Large Scale Enquiry in January 2023. Private funder occupancy has started to return to pre Covid levels in the majority of the older people homes however there still remains the care sector wide challenge of staff recruitment and retention.

Due to the Board's decision to prioritise a merger strategy, it is not possible to report against the specific performance indicators and targets that were planned to be achieved as part of the 2019 Corporate Plan programme. However, the Trustees feel there are several areas where real achievements should be acknowledged and celebrated.

All employees at every level continued to adhere to ongoing infection control measures from Covid while working very hard to keep residents, each other and those we support safe. We continued to maintain good supplies of PPE to ensure we had good infection control measures and also re-introduced more and more face-to-face activities and entertainment following two years of these being restricted. We have also continued to promote and invest in technology to facilitate families and residents' interaction.

Our working relationship with both Buckinghamshire Council and local health professionals continues to evolve positively with learnings from the Large Scale Enquiry rolled out across all services which has helped improve quality. The variations to the main older people contract have been mutually beneficial with an improved take up of our Block beds by Council funded residents at new fee rates that have helped to improve the financial sustainability of the Trust. The complete subsumption of the Local Government Pension Scheme by Buckinghamshire Council in 2021 was also major turning point for the Trust financially.

Our digital transformation has started to roll out during 22-23, led by our new Head of Digital Transformation, and supported by our IT team and newly created Business Information team. As part of the Trust's Digital, Data and Technology Strategy there are continuing improvements to our IT infrastructure to enable a transition to Office 365 and support future technology needs. We have implemented regular estate vulnerability scanning and penetration testing to support improving the Trust's IT security posture. We have also transitioned to a new mobile phone, device and data contract to enable mobile user centred care planning in parallel with successfully securing grant funding to roll out digital care plans (PCS) to those services that were put on hold during Covid.

We are continuing to use and improve our digital incident reporting system (RADAR) and digital quality and compliance system, to support our policy and procedures processes. Improvements to our Digital Insights and Analytics platform (Qlikview) are currently in progress, alongside documentation of our data strategy principles. We also completed the roll out to a card based petty cash system across all our services during 22-23.

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.

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 16.

These consolidated financial statements include the subsidiary Leonard Pulham Limited which ceased trading as a care home in 20/21 and ceased receiving rental income for commercially let residential properties during 22-23. It is now a closed site awaiting potential re-development for adult care based services.

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.

In the year ended 31 March 2023, the Trust's income derived from fees for care and support services was £44.3 million (2022: £43.5 million). 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 2022, the Trust made an unrestricted operating deficit of £266,000 (2022: surplus £88,000).

Following negotiations with Buckinghamshire Council and LGPS Actuary during early 2021, the Trust is no longer an admitted body to the Buckinghamshire Local Government Pension Scheme that it had been part of since 1992. All liability was subsumed by Buckinghamshire Council from 31 July 2021 and this was reflected in 2021-22 statutory accounts. No exit debt payment was required, all active Trust employees have left the scheme and the Trust was discharged from all current and future liabilities.

Due to the financial impact of Covid 19 our net current assets have remained in a negative position for another year while we continue our recovery to pre-Covid occupancy levels. The cash position however, has continued to improve with good debt collection and careful cost control allowing us to absorb an unexpected six-month impact from higher electricity costs following worldwide energy costs increases. Despite this, we have not been required to use our overdraft for a second consecutive year, although prudently we continue to keep this facility.

After being informed by our bank AIB in late 2021, that they had decided to sell their UK portfolio, we initially were expecting to move to Allica, (who had taken over the remaining AIB loan repayments). However, when it became apparent that Allica's business banking services were not suitable for our needs, we commenced a transfer of all remaining banking operations to NatWest in September 2022. All accounts and transactional processing were successfully transferred in early 2023 and the remaining AIB accounts were closed in June 2023. The loan that had been transferred to Allica was redeemed in full on 31st July 2023. There are no loans remaining and all banking securities in place for AIB and Allica banks were removed in August 2023.

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 £4.0 million to £12.0 million. The Trust has general funds of £2.8 million (2022: £3.0 million). However, as shown in note 16 the main component of these general funds is fixed assets, rather than liquid funds with £1.8 million negative free reserves. 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 previously agreed by the Board aimed to build the charity's level of reserves. With the Charity's poor financial performance leading up to and compounded by the pandemic, this is taking much longer to achieve than Trustees initially hoped. This was a contributing factor for the Trustees' decision in September 2021 to look for a suitable not for profit organisation to merge with. Although financially the Trust is now in a more sustainable position, the decision to merge remains the Trustees' desired outcome, in order for the Trust to continue to modernise and provide greater operational resilience.

At 31 March 2023 the cash balance was £1,649,000 (2022: £1,497,000).

Fundraising Policy

The Trust does not engage in any public fundraising activities either directly or by professional fund raisers or commercial participators. It is not registered with the Fundraising Regulator and has received no complaints during the year.

Funds held on behalf of others

Please refer to Note 21 on page 30.

Principal Risks and Uncertainties

Going Concern

Private occupancy is still lower than pre-Covid levels but grew by 20% from March 2022 to March 2023 reflecting increasing enquiries and admissions. The Trust has continued to invest in people, facilities and systems to improve the environment and quality of service for the residents which is also helping with occupancy levels. Capacity remains an opportunity for the Trust to utilise in line with a more pro-active partnership with local authorities and NHS where they have a need for short-term and long-term occupancy. Although the risks of increasing inflationary costs and greater use of agency staffing remains, the Trust is in a stronger financial position to manage such risks and remain financially viable. This was demonstrated in the financial year 22/23 where the Trust was able to cope with high inflationary impact on costs, especially energy, and greater agency spend as recruitment proved difficult across the care sector for many providers.

Given the improving financial situation and the likelihood of a successful merger with an organisation with greater resources and reserves than the Trust, 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. Good cash management meant the overdraft facility was not used in the financial year nor is it forecast to be used going forward. In the event of a merger being delayed or not happening, the Trust can continue to operate but it would be a risk to the speed of transformation needed for the Trust to remain resilient and competitive.

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 Large Scale Enquiry and recruitment and retention. 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. 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

Following, the subsumption of all current and future liabilities by Buckinghamshire Council and exit of existing Trust employees from the LGPS from 31 July 2021, this risk no longer exists.

Regulatory/Operational Risk

The aftereffects of the pandemic have continued to impact the sector with occupancy levels still not fully recovered and a sector wide shortage of care staff. In addition, managing a multi-site operation has continued to be challenging during this period but 68% of our services are rated Good or Outstanding by the CQC. During financial year 2021/22, we experienced some quality issues in a small number of services which resulted in a Large Scale Enquiry (LSE) being conducted by the Local Authority (LA). After working in a close partnership with the LA to turn these around, all had been removed during financial year 2022-23 following sustained quality improvements. The quality of services continues to be a key focus for Trustees.

Internal Financial Audit

This Internal Audit programme which had been overhauled and restarted during the 2021-22 financial year had to stop due to finance staff turnover, Yordex card roll out (which in itself provides greater financial control) and for the need to train and develop more administrative staff in the services. It will resume in financial year 2022-23 with a cyclical programme and lighter touch but which allows for a more detailed approach if issues arise. All reports must be reviewed and signed off by Operational Leads as well as Finance to ensure recommendations are implemented. Progress on internal audit work is reported to the Audit and Risk Committee.

Plans for the Future

Despite the positive improvement in financial sustainability and service quality, the Board continue to seek a merger with a similar not for profit organisation who will be able to take over the group as an ongoing entity and to help drive forward the business transformation. This process began in September 2021 and should conclude by the end of 2023.

By order of the Board of Trustees

Jim Burness
Chair of the Board
Date: 26/9/2023

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF THE FREMANTLE TRUST
FOR THE YEAR ENDED 31 MARCH 2023**

Opinion

We have audited the financial statements of The Fremantle Trust (the 'parent charitable company') and its subsidiary for the year ended 31 March 2023 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated 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 group's and of the parent charitable company's affairs as at 31 March 2023 and of the group's 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 group financial statements section of our report. We are independent of the group and parent 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 group 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 group 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 group 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 group 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.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF THE FREMANTLE TRUST
FOR THE YEAR ENDED 31 MARCH 2023**

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 group and the parent 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 and Charities Act 2011 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company 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 parent 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 group's and the parent 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 group and 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

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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:

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF THE FREMANTLE TRUST
FOR THE YEAR ENDED 31 MARCH 2023**

- We enquired of management and the audit and risk committee, which included obtaining and reviewing supporting documentation, concerning the group'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;
- 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 group 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 group 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 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. 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)
3 November 2023

for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

THE FREMANTLE TRUST

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2023

		Unrestricted Funds 2023 £'000	Restricted Funds 2023 £'000	Total 2023 £'000	Unrestricted Funds 2022 £'000	Restricted Funds 2022 £'000	Total 2022 £'000
	Notes						
Income from:							
Charitable activities							
- Care and support services	2	44,293	-	44,293	41,795	1,655	43,450
Investment income		4	-	4	1	-	1
Total income		44,297	-	44,297	41,796	1,655	43,451
Expenditure							
Charitable activities:							
- Care and support services	3	(44,563)	130	(44,433)	(41,708)	(1,780)	(43,488)
Total expenditure		(44,563)	130	(44,433)	(41,708)	(1,780)	(43,488)
Net income / (expenditure) before other recognised gains and losses		(266)	130	(136)	88	(125)	(37)
Unrealised gain on revalued fixed asset		238	-	238	-	-	-
Subsumption of defined benefit pension schemes		-	-	-	19,089	-	19,089
Net movement in funds (being net income / (expenditure) for the year)		(28)	130	102	19,177	(125)	19,052
Funds brought forward		3,020	1,866	4,886	(16,157)	1,991	(14,166)
Funds carried forward	16	2,992	1,996	4,988	3,020	1,866	4,886

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above.

Movements in funds are disclosed in Note 17 to the financial statements.

BALANCE SHEETS AS AT 31 MARCH 2023

	Notes	Group 2023 £'000	Charity 2023 £'000	Group 2022 £'000	Charity 2022 £'000
Fixed Assets					
Tangible fixed assets	7	6,991	5,091	6,596	4,846
		<u>6,991</u>	<u>5,091</u>	<u>6,596</u>	<u>4,846</u>
Current assets					
Debtors	11	3,733	3,779	4,170	4,154
Cash at bank and in hand		1,649	1,642	1,497	1,495
		<u>5,382</u>	<u>5,421</u>	<u>5,667</u>	<u>5,649</u>
Liabilities					
Creditors: amounts falling due within one year	12	(6,494)	(6,484)	(6,435)	(6,417)
Net current liabilities		(1,112)	(1,063)	(768)	(768)
Total assets less current liabilities		5,879	4,028	5,828	4,078
Creditors: amounts falling due after one year	14	(741)	(741)	(792)	(792)
Provisions for liabilities and charges	15	(150)	(150)	(150)	(150)
Total net assets		<u>4,988</u>	<u>3,137</u>	<u>4,886</u>	<u>3,136</u>
Funds					
Restricted income funds	17	1,996	62	1,866	82
Revaluation Reserve		1,805	1,805	1,567	1,567
General funds		1,187	1,270	1,453	1,487
Total funds		<u>4,988</u>	<u>3,137</u>	<u>4,886</u>	<u>3,136</u>

Approved by the trustees on 26 September 2023 and signed on their behalf by

Jim Burness - Director

THE FREMANTLE TRUST

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Year ended 31-Mar 2023 £'000	Year ended 31-Mar 2022 £'000
Cash flow from operating activities			
Net cash provided / (used in) by operating activities	23	659	(429)
Cash flows from investing activities:			
Purchase of fixed assets		(456)	(352)
Net cash used in investing activities		(456)	(352)
Cash flows from financing activities			
Repayments of borrowing		(51)	(53)
Net cash used in financing activities		(51)	(53)
Change in cash and cash equivalents in the year		152	(834)
Cash and cash equivalents at the beginning of the year		1,497	2,331
Cash and cash equivalents at the end of the year		1,649	1,497

a) Analysis of changes in net debt

	Year ended 31-Mar 2022 £'000	Cash flows £'000	Other non-cash changes £'000	Year ended 31-Mar 2023 £'000
Cash and cash equivalents				
Cash	1,481	132	-	1,613
Cash equivalents	16	20	-	36
	1,497	152	-	1,649
Borrowings				
Debt due within one year	(54)	51	(51)	(54)
Debt due after one year	(112)	-	51	(61)
	(166)	51	-	(115)
Total	1,331	203	-	1,534

THE FREMANTLE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

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

The 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.

These financial statements consolidate the results of the charity and its wholly-owned subsidiary Leonard Pulham Limited on a line by line basis. Transactions and balances between the charity and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two entities are disclosed in the notes of the charity's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charity itself is not presented because the charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006 as a summary of the result for the year is disclosed in the notes to the accounts.

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. Management and the board continue to work on the financial sustainability of the charity and with improved Local Authority pricing achieved on its main Block contract and the exit from the Local Government Pension Scheme liability, the charity is in a much more stable financial footing to cope with current market risks of cost inflation and higher agency usage. The charity has also stayed in regular contact with its bank to keep them updated on the operating and cash position. 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.

THE FREMANTLE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTINUED)

1 ACCOUNTING POLICIES (CONTINUED)

(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.

Investment Income received is recognised in the accounts on an accruals basis. Deferred income to be repaid after 12 months is recognised in the Balance Sheet as Creditors: Amounts falling due after one year.

(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.

Depreciation is provided in equal annual instalments over the estimated useful lives of each class of asset, from the date on which the assets are brought into use. The useful lives are as follows:

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 leasehold 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.

THE FREMANTLE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTINUED)

1 ACCOUNTING POLICIES (CONTINUED)

(i) Pensions

(1) Local Government Pension Schemes

The Trust ceased to be an admitted body of Buckinghamshire Local Government Pension Scheme from 31 July 2021. All active Trust employees left the scheme from this date and the Trust was discharged from all current and future liabilities.

(2) 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 2023, is based on valuation data as 31 March 2022, updated to 31 March 2023 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 into 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 actuarial valuation as at 31 March 2020 is currently underway and will set the new employer contribution rate due to be implemented from April 2024.

The Trust ceased to be an admitted body of Buckinghamshire Local Government Pension Scheme from 31 July

THE FREMANTLE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTINUED)

1 ACCOUNTING POLICIES (CONTINUED)

(i) Pensions (continued)

(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.

(j) Property repairs and maintenance and related accruals

Provision for dilapidations (where it is our responsibility) is accrued (Note 15). 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 2023 (CONTINUED)

2 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.

	2023 Total £'000	2022 Total £'000
Income from contracts with local authorities	19,909	18,622
Income from contracts with Catalyst Housing Group and other Housing Authorities	541	506
Income from client contributions and private sales	23,843	24,322
	<u>44,293</u>	<u>43,450</u>

Above figures include restricted income relating to COVID-19 support 2023: £Nil (2022: £1,655,000)

3 ANALYSIS OF EXPENDITURE

a)

Charitable Activities - Current Year 2023	Management of		Governance	Support	2023 Total £'000
	Care and Support Services Costs £'000	Care and Support Services Costs £'000			
Staff costs (Note 4)	27,389	3,501	-	-	30,890
Premises costs	7,939	18	-	87	8,044
Care home costs	3,095	-	-	-	3,095
Recruitment, Training etc	873	-	-	-	873
Travel expenses	89	51	-	-	140
Regulatory costs (CQC)	121	-	-	-	121
Information technology and equipment support	-	-	-	651	651
Postage, stationery, photocopying, telephone	97	6	-	202	305
Establishment costs and general office expenditure	-	-	-	50	50
Legal and professional fees	3	-	-	245	248
Publicity and general advertising	-	-	-	73	73
Service development	-	-	-	2	2
Audit - external	-	-	65	6	71
Bad Debt charge	-	-	-	-	-
	<u>39,606</u>	<u>3,576</u>	<u>65</u>	<u>1,316</u>	<u>44,563</u>
Support Costs	790	526	-	(1,316)	-
Governance Costs	-	65	(65)	-	-
Total expenditure 2023	<u>40,396</u>	<u>4,167</u>	<u>-</u>	<u>-</u>	<u>44,563</u>
Total expenditure 2022	39,217	4,271	-	-	43,488

Charitable Activities - Prior Year 2022	Management of		Governance	Support	2022 Total £'000
	Care and Support Services Costs £'000	Care and Support Services Costs £'000			
Staff costs (Note 4)	27,089	3,606	-	-	30,695
Premises costs	7,649	19	-	79	7,747
Care home costs	2,586	-	-	-	2,586
Recruitment, Training etc	759	-	-	-	759
Travel expenses	72	45	-	1	118
Regulatory costs (CQC)	129	-	-	-	129
Information technology and equipment support	-	-	-	563	563
Postage, stationery, photocopying, telephone	135	-	-	215	350
Establishment costs and general office expenditure	-	-	-	42	42
Legal and professional fees	-	-	-	362	362
Publicity and general advertising	-	-	-	37	37
Service development	-	-	-	11	11
Audit - external	-	-	75	5	80
Bad Debt charge	9	-	-	-	9
	<u>38,428</u>	<u>3,670</u>	<u>75</u>	<u>1,315</u>	<u>43,488</u>
Support Costs	789	526	-	(1,315)	-
Governance Costs	-	75	(75)	-	-
Total expenditure 2022	<u>39,217</u>	<u>4,271</u>	<u>-</u>	<u>-</u>	<u>43,488</u>

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

	2023 £'000	2022 £'000
Auditors' remuneration (excluding VAT):		
- audit fee	59	46
- audit fee prior year	(1)	12
Operating leases-other	125	152
Operating leases-land and buildings	6,409	5,962
Loss on disposal of assets	3	-
Depreciation on tangible fixed assets	446	404
Revaluation gain/(loss)loss	(150)	125

THE FREMANTLE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTINUED)

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

	2023	2022
	£'000	£'000
Wages and salaries	23,388	25,591
Agency costs	4,784	2,183
Redundancy and termination costs	1	132
Social security costs	1,917	1,934
Employers contribution to defined contribution pension schemes	719	710
Employers contribution to defined benefit schemes	81	145
	<u>30,890</u>	<u>30,695</u>

Actual cash employer contributions to the Buckinghamshire LGPS amounted to £Nil (2022: £137,913) and to the NHS Pension scheme £7,302 (2022: £6,658) making a total for the year of £7,302 (2022: £144,571) to defined benefit schemes. The total amount outstanding at the end of the year was £657 (2021: £555). Employer contributions to the defined contribution schemes amounted to £793,082 (2022: £709,779) for the year, with £82,372 (2022: £58,316) outstanding as at 31 March 2023.

For the year ended 31 March 2023, 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	
	2023	2022
	Number	Number
Direct staff at homes	1,034	1,394
Direct services support	28	30
Finance and administration	60	52
	<u>1,122</u>	<u>1,476</u>

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

	2023	2022
	Number	Number
£60,000 to £69,999	7	9
£70,000 to £79,999	3	5
£80,000 to £89,999	1	3
£100,000 to £109,999	2	-
£110,000 to £119,999	-	1
£120,000 to £129,999	-	1
£180,000 to £189,999	-	1
£300,000 to £309,999	1	-
	<u>14</u>	<u>20</u>

The total employee benefits including pension and national insurance contributions of the key management personnel were £1,097,990 (2022: £1,031,818). The increase in employee benefits was due to more key management personnel during 22/23 compared to 21/22.

Gaps in salary bandings above is driven by no personnel falling within these brackets.

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

THE FREMANTLE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTINUED)

5 RELATED PARTY TRANSACTIONS

a) No trustees received any emoluments for their services to Fremantle (2022: £Nil). Their necessary travel expenses incurred in fulfilling their duties for the company are reimbursed by Fremantle and amounted to £Nil (2021: £Nil) relating to 0 (2022: 0) trustees.

b) 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 £6,540 to the year ending 31 March 2023 (2022: £1,261). Another Trustee, Louise Drew, serves as a partner for Shakespeare Martineau LLP. The Trust utilised the services of Shakespeare Martineau LLP to provide legal services aggregating to £3,474 to the year ending 31 March 2023 (2022: £1,590).

c) Related party transactions occurred between Fremantle and Leonard Pulham a wholly owned subsidiary of Fremantle, for the use of rooms for training, £12,000 (2022: £12,000), Balance settled prior to 31 March 2023. Fremantle recharged the services of a dual employee £Nil (2022: £3,931) open debtor £Nil (2022: £528).

d) An intercompany credit facility for £250,000 was granted to Leonard Pulham on 10 August 2022 on an unsecured 5 year term loan agreement with a Libor + 1.00% variable annual interest rate..The interest income amounted to £971 for the year.

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

6 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 not registered for value added tax and any value added tax is irrecoverable and is charged to the income and expenditure account.

7 TANGIBLE FIXED ASSETS

The Group	Freehold and Leasehold property £'000	Leasehold improvements £'000	Office and computer equipment £'000	Equipment and furniture at homes £'000	Motor Vehicles £'000	Total £'000
Cost or valuation:						
At 31 March 2022	6,866	278	1,664	2,548	24	11,380
Additions	-	31	6	419	-	456
Disposals	-	-	-	(204)	-	(204)
Revaluation	-	-	-	-	-	-
At 31 March 2023	6,866	309	1,670	2,763	24	11,632
Accumulated Depreciation:						
At 31 March 2022	-	-	-	-	-	-
Charge for year	1,123	97	1,568	1,972	24	4,784
Disposals	117	31	64	234	-	446
Disposals	-	-	-	(201)	-	(201)
Revaluation (gain)/(loss)	(49)	-	-	-	-	(49)
Reversal of accumulated depreciation after revaluation	(339)	-	-	-	-	(339)
At 31 March 2023	852	128	1,632	2,005	24	4,641
Net Book value:						
At 31 March 2023	6,014	181	38	758	-	6,991
At 31 March 2022	5,743	181	96	576	-	6,596
The Charity						
	Freehold and Leasehold property £'000	Leasehold improvements £'000	Office and computer equipment £'000	Equipment and furniture at homes £'000	Motor Vehicles £'000	Total £'000
Cost or valuation:						
At 31 March 2022	4,339	278	1,664	2,548	24	8,853
Additions	-	31	6	419	-	456
Disposals	-	-	-	(204)	-	(204)
At 31 March 2023	4,339	309	1,670	2,763	24	9,105
Accumulated Depreciation:						
At 31 March 2022	346	97	1,568	1,972	24	4,007
Charge for year	117	31	64	234	-	446
Revaluation loss	101	-	-	-	-	101
Disposals	-	-	-	(201)	-	(201)
Reversal of accumulated depreciation after revaluation	(339)	-	-	-	-	(339)
At 31 March 2023	225	128	1,632	2,005	24	4,014
Net Book value:						
At 31 March 2023	4,114	181	38	758	-	5,091
At 31 March 2022	3,993	181	96	576	-	4,846

Land with a value of £115,400 (2022: £115,400) is included in freehold property and not depreciated.

All of the above assets are used for charitable purposes.

THE FREMANTLE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTINUED)

8. REVALUATION

Woodley House, 64-65 Rabans Close, Aylesbury, HP19 8RS, the registered office of The Fremantle Trust, was valued by James McKelvie of Knight Frank LLP on 19 July 2023 at £535,000 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 Knight Frank LLP at £3,580,000 on 19 July 2023 on a value in use basis.

Leonard Pulham Nursing Home, Tring Road, Aylesbury, HP22 5PN was valued by James McKelvie of Knight Frank LLP on 19 July 2023 at £1,900,000 on a free vacancy basis.

THE FREMANTLE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTINUED)

9 SUBSIDIARY UNDERTAKING

The charity owns the whole of the issued ordinary share capital of Leonard Pulham Limited, a registered society under the Co-operative and Community Benefit Societies Act 2014 (Number IP22558R) and is an exempt charity. The registered office address is Tring Road, Halton, Aylesbury, Bucks, HP22 5PN.

The subsidiary was a former care home for old people until October 2020 when it ceased operations. The subsidiary has since become non-trading. All activities have been consolidated on a line by line basis in the statement of financial activities.

The trustees Steph McMahon, J Burness and L Drew together with the Chief Executive, N Singh, and Finance Director, B Miles, are also directors of the subsidiary.

A summary of the results of the subsidiary is shown below:

	Unrestricted Funds 2023 £'000	Restricted Funds 2023 £'000	Total 2023 £'000	Unrestricted Funds 2022 £'000	Restricted Funds 2022 £'000	Total 2022 £'000
Income from:						
Charitable activities						
- Care and support services	4	-	4	34	-	34
Investment income	-	-	-	1	-	1
Other Income	12	-	12	12	-	12
Total income	16	-	16	47	-	47
Expenditure						
Charitable activities:						
- Care and support services costs	(97)	-	(97)	(139)	-	(139)
Total expenditure	(97)	-	(97)	(139)	-	(139)
Net expenditure before other recognised gains and losses	(81)	-	(81)	(92)	-	(92)
Net movement in funds	(81)	-	(81)	(92)	-	(92)
Funds brought forward	835	34	869	927	34	961
Funds carried forward	754	34	788	835	34	869

Included within non operating income above is room rental charge of £12,000 (2022: £12,000) charged to the parent and within expenditure is a management charge of £Nil (2022: £3,931) from the parent entity.

10 PARENT CHARITY

The parent charity's gross income and the results for the year are disclosed as follows:

	2023 £'000	2022 £'000
Gross Income	44,294	43,416
Results for the year	1	17,302

THE FREMANTLE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTINUED)

11 DEBTORS

a) Debtors: Amounts falling due within one year

	Group 2023 £'000	Group 2022 £'000	Charity 2023 £'000	Charity 2022 £'000
Residents' fees receivable	3,109	3,506	3,109	3,501
Other debtors	18	18	18	18
Amounts due from group undertakings	-	-	-	1
Prepayments and accrued income	606	646	605	634
	3,733	4,170	3,732	4,154

b) Debtors: Amounts falling due after one year

	Group 2023 £'000	Group 2022 £'000	Charity 2023 £'000	Charity 2022 £'000
Amounts due from group undertakings	-	-	47	-

12 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2023 £'000	Group 2022 £'000	Charity 2023 £'000	Charity 2022 £'000
Allica Bank loan (previously Allied Irish Bank (GB))	54	54	54	54
Trade creditors	3,875	3,765	3,872	3,754
Tax and social security	426	739	426	739
Other creditors	228	276	228	276
Accruals	1,911	1,593	1,904	1,586
Deferred Income	-	8	-	8
	6,494	6,435	6,484	6,417

13 DEFERRED INCOME ANALYSIS

	Group 2023 £'000	Group 2022 £'000	Charity 2023 £'000	Charity 2022 £'000
Balance at the beginning of the year	8	321	8	321
Amount released to income in the year	(8)	(986)	(8)	(986)
Amount deferred in the year	-	673	-	673
Balance as at the end of the year	-	8	-	8

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

14 CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	Group 2023 £'000	Group 2022 £'000	Charity 2023 £'000	Charity 2022 £'000
Allica Bank loan (previously Allied Irish Bank (GB))	61	112	61	112
BCC Advance - Due on termination of contract	680	680	680	680
	741	792	741	792

A bank loan of £500,000 was entered into with Allied Irish Bank (AIB) on 31 March 2015 and was a 5 year loan agreement with AIB, with a 3.25% variable annual interest charge, being 2.75% above base rate. This was secured by a mortgage against the two wholly owned properties of the Fremantle Trust. Following a formal review on 2nd October 2019, this loan was extended by a further five years on the same terms and was scheduled to be paid in full at 31 March 2025. On 20 April 2022, AIB transferred this loan to Allica Bank following its decision to a move away from the UK banking market by assigning all its rights, title, interest, benefits and security. The Trust continued to pay off the loan on the same basis to Allica Bank and AIB agreed to continue to provide banking facilities for the Trust (including an overdraft facility up to £750,000) to enable the Trust to switch to an alternative bank. These facilities were secured by way of fixed and floating charges over all chargeable assets. On 31 July 2023, the loan was repaid in full. The overdraft facility was cancelled on 9 June 2023 on the closure of all bank accounts held with AIB. The balances due on the loan are included in notes 12 and 14.

The Trust commenced the transfer of its banking facilities to Natwest from September 2022 and this was completed in early 2023. The new banking facilities are secured through a debenture that provides the bank with fixed and floating charges over all chargeable assets.

15 PROVISIONS FOR LIABILITIES AND CHARGES

Provisions for liabilities comprises dilapidation provision

	Group 2023 £'000	Group 2022 £'000	Charity 2023 £'000	Charity 2022 £'000
Balance at the beginning of the year	150	150	150	150
Amount released in the year	-	-	-	-
Increase in provision in the year	-	-	-	-
Balance at the end of the year	150	150	150	150

THE FREMANTLE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTINUED)

16 ANALYSIS OF GROUP NET ASSETS / LIABILITIES BETWEEN FUNDS

CURRENT YEAR

	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds £'000
Tangible fixed assets	5,058	1,934	6,992
Net current liabilities	(1,176)	62	(1,114)
Creditors due > 1 year	(741)	-	(741)
Provisions for liabilities and charges	(150)	-	(150)
Net assets at the end of the year	2,992	1,996	4,988

PRIOR YEAR

Tangible fixed assets	4,812	1,784	6,596
Net current assets	(850)	82	(768)
Creditors due > 1 year	(792)	-	(792)
Provisions for liabilities and charges	(150)	-	(150)
Net assets at the end of the year	3,020	1,866	4,886

17 MOVEMENT OF FUNDS

	At the start of the year £'000	Income and gains £'000	Expenditure and losses £'000	Transfers £'000	At the end of the year £'000
CURRENT YEAR					
Restricted funds:					
Voluntary fund accounts	1,866	150	(20)	-	1,996
Unrestricted funds					
Revaluation reserve	1,567	339	(101)	-	1,805
General funds	1,453	44,297	(44,563)	-	1,187
Total unrestricted funds	3,020	44,636	(44,664)	-	2,992
Pension reserve	-	-	-	-	-
Total funds including pension fund	4,886	44,786	(44,684)	-	4,988
PRIOR YEAR					
Restricted funds:					
Voluntary fund accounts	1,991	1,655	(1,780)	-	1,866
Unrestricted funds					
Revaluation reserve	1,585	-	(18)	-	1,567
General funds	1,347	41,796	(41,690)	-	1,453
Total unrestricted funds	2,932	41,796	(41,708)	-	3,020
Pension reserve	(19,089)	19,089	-	-	-
Total funds including pension fund	(14,166)	62,540	(43,488)	-	4,886

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 2023 (CONTINUED)

18 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 2023 was 6 (2022: 11).

19 CAPITAL COMMITMENTS

There were no outstanding capital commitments as at 31 March 2023 (2022: £Nil).

20 OPERATING LEASES

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

	2023		2022	
	Land and buildings £'000	Other £'000	Land and buildings £'000	Other £'000
Less than one year	6,716	127	6,508	147
One to five years	23,921	78	23,302	161
Over five years	74,391	-	75,920	-
Total future minimum lease payments	105,028	205	105,730	308

The lease commitment future payments as adjusted for inflation were discounted at a rate of 7.80% to obtain the present value of each lease.

21 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 2023 amounted to £722,259 (2021: £778,520).

22 CONTINGENT LIABILITY

There were no contingent liabilities as at 31 March 2023 (2022: £Nil).

23 RECONCILIATION OF NET EXPENDITURE TO NET CASHFLOW FROM OPERATING ACTIVITIES

	2023 £'000	2022 £'000
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(136)	(37)
Depreciation	446	404
Revaluation (gain)/loss	(150)	125
Loss on disposal of fixed assets	3	44
Decrease/(Increase) in debtors	437	(753)
Increase/(Decrease) in creditors	59	134
Increase/(Decrease) in creditors due after one year	-	(346)
Net cash (used in)/provided by operating activities	659	(429)

THE FREMANTLE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTINUED)

24 PENSIONS

Defined Contribution Schemes

For the year ended 31 March 2023, the number of staff who contributed to the schemes was 2 (2022: 986).