

**FRONTIERS**

**ANNUAL REPORT**

**& ACCOUNTS**

**2023**

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# WHAT WE DO

**We help churches to identify, train, send and support members overseas:**

- for the benefit of local communities,
- in teams,
- making known the love and teaching of Jesus,
- prioritising communities with least opportunity.

**Our strategies to achieve this objective are:**

- raising awareness in Britain of opportunities for service (through website, social media, podcast, publications, prayer news, conferences and events),
- encouraging enquirers: small groups, short visits, training and coaching,
- helping applicants to train, connect and join overseas teams,
- supporting field members, with their churches, practically and pastorally,
- supporting projects that benefit communities, according to local needs, including education, development, local businesses, relief work and healthcare.

We are part of the wider Frontiers movement – an international fellowship of 300 local teams comprising 2,000 members in over 80 countries. Each team or organisation operates independently, but with accountability, oversight and a strong commitment to our shared vision and values.

## OUR IMPACT IN 2023

### **Long-term Harvest Workers**

We thank God for 12 new long-term members in the last 18 months, and 12 applicants currently preparing to join overseas teams in 2024-25. We also thank God for four teams launched to new locations in the last two years.

We continue to work closely with a cohort of some 100 young people taking active steps towards long-term overseas service. This group meets regularly online and with quarterly face-to-face weekend training events. 31 people went on a series of short-term vision/prayer/training overseas trips last year.

Our pre-field training programme has continued well, with Candidates Weekends now increased to four times a year, including increased practical training, coaching and mentoring, and the development and appointment of new team leaders.

We continue to serve and support newer bases within the Frontiers movement in Europe and South America with financial support, mentoring, shared resources and on-site training.

Most of our UK team travelled overseas last year, meeting field workers in every region we work, for mutual encouragement, pastoral support, vision-building and personal development.

### **Information and Communications**

In partnership with other agencies, we continue to encourage wide use by churches and small groups of the popular *MomentumYes* video and discussion groups course. This course helps small groups and local churches understand better how every believer plays a role in inviting people of every culture into life-changing relationship with their loving Creator.

Our *RAWMission* podcast, which interviews people of many different backgrounds about their joys and challenges of making God in other cultures continues to grow, with 60 episodes and 50,000 downloads in over 150 countries.

We continued producing our popular *Connected* magazine, which is also circulated and used in translation in other European countries.

### **Care and support for local communities**

We continue to raise up and pass on funds, with appropriate supervision, to support field members and an increasing number of field projects. Some of these provide short-term relief in situations of conflict or natural disaster and/or to displaced persons. Others, supported by our long-term teams, aim towards lasting development of local communities, including training, education and medical care.

Our member care team has worked exceptionally hard, in partnership with sending churches, to support many field members experiencing stress and other challenges.

## **FUTURE PLANS**

We are proceeding, subject to contract, with the purchase of the freehold of our support base in central High Wycombe for £1.1m, to be financed mainly by sale of our existing freehold property. This facility is supporting better our increased home team and offers greater flexibility to offer training, internships etc.

We look forward to further deepening our collaboration and partnership with overseas teams, sending churches and others of similar vision.

We are offering more opportunities for young people for practical training within the UK and overseas, including short-term trips. We are also helping and supporting churches to develop their own vision for overseas ministry.

## **FINANCIAL REVIEW**

We thank God for total income of £1.9M in 2023, (shown on page 9). This was below last year when we received a substantial legacy. Gifts for long-term overseas members fell with several returning to the UK, but project income was higher.

Total expenditure in 2023 was £2.0M, being 5% above last year due to increased expenditure on field projects and home staff. Specific gifts are promptly applied, when needed, to support members and relief and development projects.

Net assets at the year end (shown on page 10) of £1.13M comprised:

- £163k of restricted reserves, being gifts for specific projects or members,
- £782k of designated funds, mainly for purchase of a larger base, and
- £188k in the general fund, not designated for a particular purpose.

Volunteers on our home team contributed an average of 12 days per week during the year and were engaged in all areas of activity, especially pastoral care of overseas members.

Grants from restricted funds are made in line with donors' wishes, and from unrestricted funds in line with the trustees' judgment. In all cases, grants are made

only to projects and members with clear supervision, oversight and accountability, to ensure they are used effectively to benefit local communities.

The trustees' reserves policy is to maintain the general fund at between 3 and 6 months of unrestricted expenditure. At this level, current activities could continue in the event of a significant drop in income, until remedial action becomes effective. The general fund on 31 December 2023, representing 5.4 months of unrestricted expenditure, was within this range.

The trustees' investment policy is to maintain high liquidity while ensuring maximum security, with funds invested with financial institutions protected by the government-regulated Financial Services Compensation Scheme. The Charity has no social investments.

### **Fundraising practices**

No outside agents are engaged to approach the public on our behalf. All applications for funding are prepared in-house. No complaints have been received about our fundraising practices.

We seek to protect vulnerable people and others from unreasonable intrusion from any fundraising communications. Where vulnerable people or those acting on their behalf request no further communications, we act on their wishes immediately. We also remove recipients from our mailing list when requested. We are registered with the Fundraising Regulator and committed to the Fundraising Promise and adhere to the Code of Fundraising Practice.

## **STRUCTURE, GOVERNANCE & MANAGEMENT**

Frontiers is a charity and a company limited by guarantee, governed under a memorandum and articles of association. Legal and administrative details are set out on page 8.

Overall responsibility lies with the board of trustees (who are directors for the purposes of company law). Trustees retire each year but are eligible for re-election. Additional trustees are appointed by the board, who seek people with relevant skills and experience, and in sympathy with the Charity's objectives and ethos. Induction and training are provided on a personal basis as appropriate. Policy and major

financial decisions are made by the trustees. Day-to-day running of the Charity and responsibility for implementing these decisions are committed to the chief executives.

Trustees give their time freely and receive no remuneration. Trustees' expense payments and other related party transactions are disclosed in Note 6 to the accounts.

Members located overseas are accountable to local team leaders and raise their own financial support. They have the backing of the Charity in raising support, including the provision of training and expertise.

Home staff are encouraged to raise their own financial support. Modest salaries are paid to some staff, including the chief executives. Remuneration of all staff is set with regards to market rates and the relevant experience of the staff member and reviewed on an annual basis to ensure pay levels are fair.

The trustees have regard to the Charity Commission's published guidance on public benefit. The Charity delivers a public benefit to many communities through services provided by overseas members, including support to communities suffering from the effects of the covid-19 pandemic, conflicts and natural disasters.

### **Risks and uncertainties**

The trustees have reviewed the Charity's current and planned future activities in the light of major risks, and the effectiveness of systems and procedures designed to manage them.

The principal risks and uncertainties are reputational damage in the event of a high-profile complaint or legal action alleging lack of due care for staff or field members; a sharp reduction in donation income; or financial mismanagement.

Our plans to manage risks include careful assessment of applicants, risk assessments and contingency plans, a support network for overseas members, financial controls, a robust safeguarding policy, incident reporting, strong oversight and accountability of field projects, maintaining adequate financial reserves, and insurance cover.

The trustees consider adequate resources will continue to be available to fund activities for the foreseeable future, there are no material uncertainties about the Charity's ability to continue operating, and it therefore remains a going concern.

## **Auditor**

Jacob Cavenagh & Skeet offer themselves for re-appointment as auditor in accordance with Chapter 2 of Part 16 of the Companies Act 2006.

## **Trustees' responsibilities in relation to the accounts**

The trustees are responsible for preparing this report and financial statements in accordance with United Kingdom Generally Accepted Accounting Practice, Accounting Standards and applicable law.

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 Charity and of the net income and expenditure of the Charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures explained in the financial statements,
- prepare financial statements on a going concern basis unless it is inappropriate to presume the Charity will continue in business.

The trustees are responsible for keeping proper accounting records that are sufficient to show and explain the Charity's transactions, to disclose with reasonable accuracy at any time the financial position of the Charity, and to enable them to ensure financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the Charity's assets and taking reasonable steps for the prevention and detection of fraud and other irregularities.

As far as each trustee is aware:

- there is no relevant information of which the Charity's auditor is unaware; and
- 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.

This report, prepared in accordance with the small companies' regime, was approved by the board on 10 July 2024.



K Elmitt (Trustee)



# CORPORATE DIRECTORY

Company Registration Number	2585745
Charity Registration Number	1012566
Trustees	K Elmitt (Chair) D A Aanderud A Dimmock (retired 29 November 2023) M J Knell I M Linton P N MacInnes R Moffat (appointed 22 February 2023)
Chief Executives	P A Bancroft M D Jones
Principal Address	PO Box 1445 High Wycombe, HP12 9BU
Registered Office	5 Robin Hood Lane Sutton, SM1 2SW
Auditor	Jacob Cavenagh & Skeet Chartered Accountants 5 Robin Hood Lane Sutton, SM1 2SW
Principal Bankers	Barclays Bank pic PO Box 23 Northampton, NN1 4YD  CAF Bank Limited 25 Kings Hill Avenue West Malling, ME19 4JQ

# FRONTIERS

## STATEMENT OF FINANCIAL ACTIVITIES

(incorporating an income & expenditure account)

for the year ended 31 December 2023

		<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
		<u>Funds</u>	<u>Funds</u>	<u>2023</u>	<u>Funds</u>	<u>Funds</u>	<u>2022</u>
	Note	£	£	£	£	£	£
<b>INCOME &amp; ENDOWMENTS</b>							
Donations & legacies	2	227,365	1,654,207	1,881,572	805,289	1,696,235	2,501,524
Charitable activities	3	14,985	-	14,985	14,182	-	14,182
Investment income		13,535	-	13,535	1,981	-	1,981
<b>Total income</b>		<u>255,885</u>	<u>1,654,207</u>	<u>1,910,092</u>	<u>821,452</u>	<u>1,696,235</u>	<u>2,517,687</u>
<b>EXPENDITURE</b>							
Raising funds	4	23,731	1,539	25,270	22,032	1,673	23,705
Charitable activities:	5						
Programme development & support		306,909	1,585,488	1,892,397	175,378	1,600,518	1,775,896
Information & education		56,482	26,125	82,607	77,397	35,364	112,761
Management & administration		34,299	2,787	37,086	32,390	2,615	35,005
<b>Total expenditure</b>	7	<u>421,421</u>	<u>1,615,939</u>	<u>2,037,360</u>	<u>307,197</u>	<u>1,640,170</u>	<u>1,947,367</u>
<b>Net (expenditure)/income</b>		(165,536)	38,268	(127,268)	514,255	56,065	570,320
Funds brought forward		<u>1,135,439</u>	<u>124,710</u>	<u>1,260,149</u>	<u>621,184</u>	<u>68,645</u>	<u>689,829</u>
<b>Funds carried forward</b>		<u>969,903</u>	<u>162,978</u>	<u>1,132,881</u>	<u>1,135,439</u>	<u>124,710</u>	<u>1,260,149</u>

The Company had no recognised gains or losses other than those shown above for either financial year.

The notes on pages 12 to 18 form part of these financial statements.

**FRONTIERS**  
**BALANCE SHEET**  
**At 31 December 2023**

	<u>Note</u>	<u>2023</u>	<u>2022</u>
		£	£
<b>FIXED ASSETS</b>			
Tangible assets	9	<u>496,663</u>	<u>496,939</u>
<b>CURRENT ASSETS</b>			
Stock		621	845
Debtors	10	226,571	692,712
Investments	11	85,000	—
Cash at bank and in hand		<u>698,735</u>	<u>472,327</u>
		1,010,927	1,165,884
<b>CREDITORS</b>			
Amounts falling due within one year	12	<u>(374,709)</u>	<u>(402,674)</u>
<b>NET CURRENT ASSETS</b>		636,218	763,210
<b>NET ASSETS</b>		<u>1,132,881</u>	<u>1,260,149</u>
<b>FUNDS</b>			
Unrestricted funds:			
General fund		187,961	99,172
Designated funds	13	<u>781,942</u>	<u>1,036,267</u>
		969,903	1,135,439
Restricted funds	13	162,978	124,710
<b>Total funds</b>		<u>1,132,881</u>	<u>1,260,149</u>

The financial statements on pages 9 to 18 have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies. They were approved by the board of directors on 10 July 2024 and are signed on their behalf by:

  
K Elmitt  
Director

**FRONTIERS**

**CASH FLOW STATEMENT**

**for the year ended 31 December 2023**

	<u>Note</u>	<u>2023</u>	<u>2022</u>
		£	£
<b>Cash inflow from operating activities</b>	16	<u>218,293</u>	<u>137,150</u>
<b>Cash flows from investing activities:</b>			
Investment income		13,535	1,981
Purchase of tangible fixed assets		(5,420)	(27,642)
<b>Cash inflow/(outflow) outflow from investment activities</b>		<u>8,115</u>	<u>(25,661)</u>
<b>Increase in cash and cash equivalents in the year</b>		<u>226,408</u>	<u>111,489</u>
Cash and cash equivalents at the beginning of the year		472,327	360,838
<b>Cash and cash equivalents at the end of the year</b>		<u><u>698,735</u></u>	<u><u>472,327</u></u>

# FRONTIERS

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2023

### 1. ACCOUNTING POLICIES

#### **Basis of preparation**

The Charity is a public benefit entity. The financial statements are prepared in compliance with the Companies Act 2006, the Charities Act 2011, Financial Reporting Standard 102, and the Charities Statement of Recommended Practice (FRS102). The financial statements are prepared in pounds sterling rounded to the nearest pound.

The principal accounting policies, which have been applied consistently, are described below.

#### **Fund accounting**

Incoming resources for specific purposes declared by donors are held separately as restricted funds. General reserves are unrestricted funds available for use at the trustees' discretion in furtherance of the Charity's charitable objectives. Designated funds are set aside by the trustees for specific purposes.

#### **Income**

Income is recognised when entitlement is established, receipt is probable, and its amount can be quantified with reasonable accuracy.

Donated goods are included in income at their market value when received. Time donated by volunteers is not recognised in the financial statements, but their significant contribution is discussed in the trustees' report.

Individual members make contributions to the general funds of the Charity out of the gift income they receive at a rate of 5% for UK-based members and projects and 10% for members based overseas.

#### **Expenditure**

Grant payments to third parties are accrued once the recipient has been notified of the grant award and where any unfulfilled conditions attaching to the grant are outside the control of the Charity. Other expenditure is recognised once there is a legal or constructive obligation to make a payment, it is probable that settlement will be required, and the amount of obligation can be measured reliably.

Expenditure is accounted for on an accruals basis and apportioned between the costs of raising funds and charitable activities. Charitable activities expenditure is further analysed between programme development & support, information & education, and management & administration, as described in notes to the accounts. Expenditure apportionment is based on an analysis of time spent.

#### **Pensions**

The Charity operates a defined contribution scheme for the benefit of employees. Contributions are charged to the income and expenditure account in the year they are payable.

# FRONTIERS

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2023

### 1. ACCOUNTING POLICIES (continued)

#### Depreciation

Depreciation is provided to write off the cost of tangible fixed assets over their estimated useful economic lives, as follows:

Building services	10 years
Furniture & other equipment	3-5 years

No depreciation is provided on freehold land and buildings. The trustees have a policy of maintaining the property to a high standard which prolongs its useful life and enhances its residual value and accordingly consider any depreciation to be insignificant and immaterial. Properties are reviewed annually by the trustees for any impairment of value.

#### Debtors

Debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

#### Cash at bank and in hand

Cash at bank and in hand includes accounts held at call with banks and cash in hand. Cash equivalents include monies available within 3 months without interest penalty.

#### Creditors and provisions

Creditors and provisions are recognised when the Charity has a legal or constructive financial obligation that can be reliably estimated for which payment is expected to be made.

#### Financial instruments

The Charity has financial assets and liabilities only of a kind that qualify as basic financial instruments. These are initially recognised at transaction value and subsequently measured using amortised cost on the effective interest rate method.

#### Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

# FRONTIERS

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2023

### 2. DONATIONS & LEGACIES

	<u>Unrestricted</u> <u>funds</u> £	<u>Restricted</u> <u>Funds</u> £	<u>Total</u> <u>2023</u> £	<u>Total</u> <u>2022</u> £
Donations and legacies	95,514	1,654,207	1,749,721	2,378,653
Contributions from members	131,851	-	131,851	122,871
	<u>227,365</u>	<u>1,654,207</u>	<u>1,881,572</u>	<u>2,501,524</u>

### 3. INCOME & ENDOWMENTS FROM CHARITABLE ACTIVITIES

These comprise income from training events, book sales, a hospitality house and short-term assignments. The primary aim of these activities is to assist members preparing to go overseas and to raise understanding of the Charity's activities and opportunities for service, with charges being made to defray costs.

### 4. EXPENDITURE ON RAISING FUNDS

Most voluntary income is generated by members on an unpaid voluntary basis. Costs to the Charity of generating voluntary income are those incurred in seeking donations and do not include the costs of disseminating general information about the Charity's activities and opportunities.

### 5. CHARITABLE ACTIVITIES

Programme development & support expenditure from restricted funds comprises gifts to members and projects, in line with donors' wishes. Such expenditure from unrestricted funds comprises the costs of providing support and training to prospective and current overseas members.

Information & education expenditure comprises the costs of raising awareness of the needs and opportunities for service, through the website, video and podcast resources, literature, conferences, and other events.

### 6. RELATED PARTIES

Related parties are the trustees, key management personnel (considered to be the chief executives) and their close family members.

The trustees receive no remuneration for their services. In 2023, total compensation paid to the chief executives was £52,260 (2022: £47,471).

In 2023, no expenses on behalf of the Charity were incurred by trustees (2022: Nil).

In 2023, total donations received from trustees were £3,150 (2022: £2,400), of which donations of £1,660 (2022: £1,800) were for restricted purposes.

# FRONTIERS

## NOTES TO THE FINANCIAL STATEMENTS

### for the year ended 31 December 2023

#### 7. EXPENDITURE

	<u>Raising funds</u>	<u>Programme development &amp; support</u>	<u>Information &amp; education</u>	<u>Management &amp; administration</u>	<u>Total 2023</u>	<u>Total 2022</u>
	£	£	£	£	£	£
Member support	20,531	1,658,841	63,279	19,611	1,762,262	1,707,293
Field projects	-	133,708	-	-	133,708	73,365
Office running costs	2,358	25,679	5,583	2,481	36,101	25,457
Frontiers International Office	-	27,994	-	7,180	35,174	40,426
Travel	376	17,528	2,183	1,272	21,359	18,380
Training & conferences	231	13,869	285	197	14,582	17,353
Website & media	1,052	-	10,403	-	11,455	41,464
House running costs	-	5,955	-	-	5,955	4,650
Governance costs: audit fee	-	-	-	5,640	5,640	5,480
Professional advisers	325	1,913	-	-	2,238	6,271
Other expenses	-	2,871	-	319	3,190	3,099
Depreciation	397	4,039	874	386	5,696	4,129
	<u>25,270</u>	<u>1,892,397</u>	<u>82,607</u>	<u>37,086</u>	<u>2,037,360</u>	<u>1,947,367</u>
<u>Comprising:</u>						
Restricted funds	1,539	1,585,488	26,125	2,787	1,615,939	1,640,170
Unrestricted funds	23,731	306,909	56,482	34,299	421,421	307,197
	<u>25,270</u>	<u>1,892,397</u>	<u>82,607</u>	<u>37,086</u>	<u>2,037,360</u>	<u>1,947,367</u>
<i>Totals in 2022</i>	<u>23,705</u>	<u>1,775,896</u>	<u>112,761</u>	<u>35,005</u>	<u>1,947,367</u>	

#### 8. EMPLOYEES

	<u>2023</u>	<u>2022</u>
	£	£
Salaries	384,148	312,098
Employer's national insurance	23,480	16,234
Employer's pension contributions	8,654	6,312
	<u>416,282</u>	<u>334,644</u>
 Average number of employees	<u>21</u>	<u>17</u>
Average number of full-time equivalent employees	<u>12</u>	<u>12</u>

No employee received benefits exceeding £60,000 in either year.

The Company operates a defined contribution pension scheme. Contributions of £2,547 (2022: £2,557) were outstanding at the year end.



# FRONTIERS

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2023

### 9. TANGIBLE FIXED ASSETS

	<u>Freehold Land &amp; Buildings</u>	<u>Furniture &amp; Equipment</u>	<u>Total</u>
	£	£	£
<b>COST</b>			
At 1 January 2023	535,525	28,320	563,845
Additions	-	5,420	5,420
Disposals	-	(3,057)	(3,057)
At 31 December 2023	<u>535,525</u>	<u>30,683</u>	<u>566,208</u>
<b>DEPRECIATION</b>			
At 1 January 2023	44,308	22,598	66,906
Provision for year	2,172	3,524	5,696
Disposals	-	(3,057)	(3,057)
At 31 December 2023	<u>46,480</u>	<u>23,065</u>	<u>69,545</u>
<b>NET BOOK VALUE</b>			
At 31 December 2023	<u>489,045</u>	<u>7,618</u>	<u>496,663</u>
<i>At 31 December 2022</i>	<u>491,217</u>	<u>5,722</u>	<u>496,939</u>

### 10. DEBTORS

	<u>2023</u>	<u>2022</u>
	£	£
Amounts falling due within one year:		
Other Frontiers offices	110,305	75,290
Accrued income	60,835	571,506
Gift Aid receivable	33,264	32,917
Prepayments and other debtors	22,167	12,999
	<u>226,571</u>	<u>692,712</u>

### 11. INVESTMENTS

	<u>2023</u>	<u>2022</u>
	£	£
Amounts falling due within one year:		
Deposits with financial institutions	85,000	-
	<u>85,000</u>	<u>-</u>

### 12. CREDITORS

	<u>2023</u>	<u>2022</u>
	£	£
Amounts falling due within one year:		
Members and projects	356,145	327,198
Other Frontiers offices	530	51,763
Other creditors	18,034	23,713
	<u>374,709</u>	<u>402,674</u>

# FRONTIERS

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2023

### 13. MOVEMENT IN FUNDS

	<u>At 1 January</u> <u>2023</u> £	<u>Income</u> £	<u>Transfers</u> £	<u>Expenditure</u> £	<u>At 31 December</u> <u>2023</u> £
<b>General fund</b>	99,172	255,885	219,925	(387,021)	187,961
<b>Designated funds:</b>					
Fixed asset fund	976,939	-	(230,276)	-	746,663
Generosity fund	59,328	-	10,351	(34,400)	35,279
	1,036,267	-	(219,925)	(34,400)	781,942
Total unrestricted funds	1,135,439	255,885	-	(421,421)	969,903
<b>Restricted funds:</b>					
Members' support	106,416	1,414,102	-	(1,476,811)	43,707
Projects	18,294	240,105	-	(139,128)	119,271
Total restricted funds	124,710	1,654,207	-	(1,615,939)	162,978
Total funds	1,260,149	1,910,092	-	(2,037,360)	1,132,881

	<u>At 1 January</u> <u>2022</u> £	<u>Income</u> £	<u>Transfers</u> £	<u>Expenditure</u> £	<u>At 31 December</u> <u>2022</u> £
<b>General fund</b>	139,548	821,452	(573,591)	(288,237)	99,172
<b>Designated funds:</b>					
Fixed asset fund	473,426	-	503,513	-	976,939
Generosity fund	8,210	-	70,078	(18,960)	59,328
	481,636	-	573,591	(18,960)	1,036,267
Total unrestricted funds	621,184	821,452	-	(307,197)	1,135,439
<b>Restricted funds:</b>					
Members' support	33,790	1,592,315	-	(1,519,689)	106,416
Projects	34,855	103,920	-	(120,481)	18,294
Total restricted funds	68,645	1,696,235	-	(1,640,170)	124,710
Total funds	689,829	2,517,687	-	(1,947,367)	1,260,149

Designated funds have been established for the following purposes:

- The fixed asset fund represents the book value of fixed assets plus funds required for planned fixed asset purchases in the coming year to indicate these resources are not available for other purposes.
- The generosity fund represents funds set aside to assist projects within the Charity's objectives.

Restricted funds comprise:

- Members' support: gifts received for specific members.
- Projects: gifts for specific charitable projects, which are allocated as needs arise.

During the year, payments were made to 193 (2022 - 175) members and projects.

# FRONTIERS

## NOTES TO THE FINANCIAL STATEMENTS

### for the year ended 31 December 2023

#### 14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	<u>General</u> <u>Fund</u> £	<u>Designated</u> <u>Funds</u> £	<u>Restricted</u> <u>Funds</u> £	<u>Total</u> £
Fund balances at 31 December 2023 were represented by:				
Fixed assets	-	496,663	-	496,663
Current assets	562,670	285,279	162,978	1,010,927
Current liabilities	(374,709)	-	-	(374,709)
Total net assets	187,961	781,942	162,978	1,132,881

	<u>General</u> <u>Fund</u> £	<u>Designated</u> <u>Funds</u> £	<u>Restricted</u> <u>Funds</u> £	<u>Total</u> £
Fund balances at 31 December 2022 were represented by:				
Fixed assets	-	496,939	-	496,939
Current assets	501,846	539,328	124,710	1,165,884
Current liabilities	(402,674)	-	-	(402,674)
Total net assets	99,172	1,036,267	124,710	1,260,149

#### 15. SHARE CAPITAL

The Company is limited by guarantee and does not have an issued share capital. Each member of the Company undertakes to contribute to the assets of the Company (should it be wound up during membership or within one year after ceasing to be a member) for payment of debts and liabilities of the Company contracted before ceasing to be a member. The contribution is limited to a sum not exceeding £1.

#### 16. CASH FLOWS RECONCILIATION

	<u>2023</u> £	<u>2022</u> £
Net (expenditure)/income	(127,268)	570,320
Adjustments for:		
Depreciation charge	5,696	4,129
Investment income	(13,535)	(1,981)
Decrease in stocks	224	249
Decrease/(increase) in debtors	466,141	(537,058)
(Increase) in investments	(85,000)	-
(Decrease)/increase in creditors	(27,965)	101,491
Cash provided by operating activities	218,293	137,150

## Independent auditor's report to the members of Frontiers

### Opinion

We have audited the financial statements of Frontiers (the 'charity') for the year ended 31 December 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 December 2023 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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 Charity's ability to continue as a going concern for a period of at least 12 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 annual report, including the trustees' 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.

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

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

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' 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 charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included with the trustees' 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 and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

**Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, 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 charity'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 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.

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

Based on our understanding of the charity, we identified that the principal risks of non-compliance with laws and regulations related to employment and financial reporting legislation and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and Charities Act 2011.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management, considering the internal controls in place and discussion amongst the engagement team. We determined that the principal risks were related to payments to third parties and management override of controls.

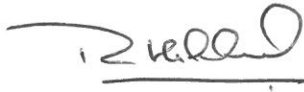
In response to the risks identified we designed procedures which included, but were not limited to:

- verifying payments to third parties on a sample basis
- identifying and testing journal entries
- reviewing Trustees' meeting minutes
- evaluating the charity's internal controls

There are inherent limitations in the audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

**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 regulations made under 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.



**Richard Haffenden MA(Cantab) FCA (Senior Statutory Auditor)**  
for and on behalf of Jacob Cavenagh & Skeet

**Statutory Auditor**  
**Chartered Accountants**

5 Robin Hood Lane  
Sutton  
Surrey  
SM1 2SW

20 August 2024