



ANNUAL REPORT AND ACCOUNTS

2022-23

Frimley Health Charity

Reg. No. 1049600

Contents

SECTION ONE

Independent Auditor Report to the members of Frimley Health Charity

SECTION TWO

Annual Report and Accounts

Contents.....	1
Independent Auditor Report	2
1 Foreword	9
2 Structure, Governance and Management	10
3 Risk Management	13
4 Objectives and Strategy	13
5 Review of Finances, Achievements and Performance	14
6 Investment Policy.....	16
7 Reserves Policy.....	16
8 Future Plans	17
Statement of Financial Activities for the year ended 31 March 2023	19
Balance Sheet as at 31 March 2023.....	20
Statement of Cash Flows	21
Notes to the Accounts	22

SECTION ONE

Independent Auditor Report

Independent auditor's report to the Trustee of Frimley Health Charity

Opinion

We have audited the financial statements of Frimley Health Charity ("the charity") for the year ended 31 March 2023 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 (or its predecessors) and report in accordance with regulations made under section 154 of that Act. We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the charity in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The trustee has prepared the financial statements on the going concern basis as they do not intend to liquidate the charity or to cease its operations, and as they have concluded that the charity's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the trustee's conclusions, we considered the inherent risks to the charity's business model and analysed how those risks might affect the charity's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the trustee's assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the charity will continue in operation.

Fraud and breaches of laws and regulations – ability to detect
Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of management and inspection of policy documentation as to the Charity's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Charitable Fund Committee minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because the Charity has no profit motive and is not required by any regulatory body to achieve any specific financial targets. In addition, the majority of income is received in the form of donations, legacies or investment returns informed by a third party, so the opportunity to manipulate the revenue figure is limited.

We did not identify any additional fraud risks.

We performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included those journals posted to unusual account combinations.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general sector experience and through discussion with the directors and other management (as required by auditing standards), from inspection of the

Trustee's Annual Report for Frimley Health Charity
for the year ended 31 March 2023

Charity's regulatory and legal correspondence and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Charity is subject to laws and regulations that directly affect the financial statements, including financial reporting legislation (including related charities legislation) and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Whilst the Charity is subject to many laws and regulations, we did not identify any where the consequences of non-compliance alone could have a material effect on amounts or disclosures in the financial statements.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information

The trustee is responsible for the other information, which comprises the Trustee's Annual Report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. We are required to report to you if:

- based solely on that work, we have identified material misstatements in the other information; or

Trustee's Annual Report for Frimley Health Charity
for the year ended 31 March 2023

- in our opinion the information given in the Trustee's Annual Report is inconsistent in any material respect with the financial statements.
We have nothing to report in these respects.

Matters on which we are required to report by exception

Under the Charities Act 2011 we are required to report to you if, in our opinion:

- the charity has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records; or
- We have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Trustee's responsibilities

As explained more fully in their statement set out on page 11, the trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

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

This report is made solely to the charity's trustee, as a body, in accordance with section 144 of the Charities Act 2011 (or its predecessors) and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we

Trustee's Annual Report for Frimley Health Charity
for the year ended 31 March 2023

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 charity and its trustee, as a body, for our audit work, for this report, or for the opinions we have formed.



Jessica Hargreaves

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

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

15 Canada Square,

Canary Wharf,

London,

E14 5GL

14 December 2023

SECTION TWO

Annual Report and Accounts

1 Foreword

The Corporate Trustee presents the Frimley Health Charity ("The Charity") Annual Report together with the audited financial statements for the year ended 31 March 2023.

The Charity's Annual Report and Accounts for the year ended 31 March 2023 have been prepared by the Corporate Trustee in accordance with the Charities Act 2011, the Charities Statement of Recommended Practice (FRS 102), and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

The Charity's Annual Report and Accounts include all of the separately established funds for which the Frimley Health NHS Foundation Trust is the sole beneficiary.

The Charity is registered with the Charity Commission (registration number 1049600) in accordance with the Charities Act 2011.

1.1 Reference and Administrative Details

The Charity was formed by Trust Deed (Declaration of Trust) on 26 September 1995 and entered on the Central Register of Charities on 4 October 1995. The registration was as an Umbrella Charity; Registered Charity Number 1049600. The Charity is currently known as Frimley Health Charity.

Supplemental deed dated 23 May 2005 changed the name to Frimley Park Hospital NHS Foundation Trust Charitable Fund, further amended by a supplemental deed dated 4 January 2014 to Frimley Park Hospital Charity. This was further amended in March 2015 to Frimley Health Charity as approved by the Trustee following the acquisition of Heatherwood and Wexham Park Hospitals NHS Foundation Trust by Frimley Park Hospital NHS Foundation Trust.

Charitable funds received by the Charity are accepted, held and administered as funds and property for purposes relating to the Health Service in accordance with the National Health Service Act 1977 and the National Health Service and Community Care Act 1990, these funds are held on trust by the Corporate body.

1.2 Principal Office

Frimley Health NHS Foundation Trust
Frimley Park Hospital
Portsmouth Road
Frimley
Surrey GU16 7UJ

1.3 Bankers

Lloyds Bank PLC
19/23 Obelisk Way
Camberley
Surrey GU15 3SE

Lloyds Bank PLC
24 High Street
Slough
Berkshire SL1 1EJ

Barclays Bank PLC
London Corporate Banking
1 Churchill Place
London E14 5HP

Trustee's Annual Report for Frimley Health Charity
for the year ended 31 March 2023

Investec Bank Plc
30 Gresham Street
London
EC2V 7QP

CCLA
One Angel Lane
London
EC4R 3AB

Santander UK PLC
2 Triton Square
Regent's Place
London NW1 3AN

1.4 Independent Auditor

KPMG LLP
15 Canada Square
Canary Wharf
London E14 5GL

1.5 Solicitor

Capsticks
1 St George's Road
Wimbledon
London SW19 4DR

2 Structure, Governance and Management

2.1 Trustee

The Frimley Health NHS Foundation Trust is the Corporate Trustee of the Charity governed by the law applicable to Trusts, principally the Trustee Act 2000 and the Charities Act 2011. Acting as Corporate Trustee, the Trust's Board of Directors is responsible for the overall management of the Charity.

The Chair and Non-Executive members of the Trust Board are appointed by the Trust's Council of Governors. The Chief Executive is appointed by the Chair and Non-Executive Directors (subject to ratification by the Council of Governors). Executive members of the Trust Board are subject to recruitment by the Chairman, Non-Executive Directors and Chief Executive. Members of the Trust Board are not individual Trustees under Charity Law, but act as agents on behalf of the Corporate Trustee. Duties are discharged through dedicated Trustee meetings.

For operational purposes the Trustees, during the financial year 2022/23, were deemed to be the Chairman, Non-Executive Directors and Executive Directors of Frimley Health NHS Foundation Trust. The Director of Finance acted as the principal officer overseeing the day-to-day financial management and accounting for the Charity during the year. The members of the Board of the Corporate Trustee who served during the financial year and up to the date of signing the financial statements were as follows:

Trustee's Annual Report for Frimley Health Charity
for the year ended 31 March 2023

Non-Executive Directors:

Bryan Ingleby – Chairman
Michael O'Donovan
Dawn Kenson
John Weaver
Michael Baxter
Linda Burke
Gary McRae

Executive Directors:

Neil Dardis	Chief Executive
Timothy Ho	Medical Director
Nigel Foster	Director of Finance
Caroline Hutton	Chief Operating Officer
Lorna Wilkinson	Director of Nursing and Midwifery
Matt Joint	Director of People

Induction and training are organised for new Directors of the Corporate Trustee on a case-by-case basis. This includes a series of one-to-one meetings with the Chairman, the executive directors and senior managers.

2.2 Statement of Trustee's Responsibilities in respect of the Trustee's Annual Report and Financial Statements

Under the trust deed and rules of the charity and charity law, the trustees are responsible for preparing a Trustees' Annual Report and the financial statements in accordance with applicable law and regulations. The trustees are required to prepare the financial statements in accordance with UK Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources for that period.

In preparing these financial statements, generally accepted accounting practice entails that the trustees:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether the financial statements comply with the trust deed and rules, subject to any material departures disclosed and explained in the financial statements;

Trustee's Annual Report for Frimley Health Charity
for the year ended 31 March 2023

- assess the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

The trustees are required to act in accordance with the trust deed and the rules of the charity, within the framework of trust law. They are responsible for keeping accounting records which are sufficient to show and explain the charity's transactions and disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the trustees to ensure that, where any statements of accounts are prepared by them under section 132(1) of the Charities Act 2011, those statements of accounts comply with the requirements of regulations under that provision. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the financial and other information included on the charity's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

2.3 Charitable Funds Committee

The Charitable Funds Committee was established by the Trustee to oversee the day-to-day management of the Charity in accordance with the duties of the Trustee, and to report regularly to the Trustee on the discharge of its responsibilities. The Charitable Funds Committee is chaired by a Non-Executive Director of the Trust and includes Executive and Directors as well as individuals who are not members of the Board of Directors. The members who served during the financial year and up to the date of signing the financial statements were as follows:

Members:

John Weaver	Non-Executive Director & Committee Chair
Carol Deans	Director of Communication and Engagement
Edward John	Director of Operational Finance (until January 2023)
Stephen Jones	Director of Operational Finance (from January 2023)

Attendees:

Lorna Wilkinson	Chief of Nursing & Midwifery
Judith Gudgeon	Consultant
Jeetesh Bhardwa	Consultant
Philippa Hooton	Head of Nursing Medicine & Elderly Care

Trustee's Annual Report for Frimley Health Charity
for the year ended 31 March 2023

Alison Stevens	Corporate Head of Nursing FPH
Joanna Hawks	Matron, Wexham ED
Stuart Bendermacher	Matron Emergency Assessments
Ann McDonald	Associate Director of Finance
Aman Jhalli	Head of Technical Accounts
Andrew House	Charity Director
Anthony Kerslake	Head of Fundraising

The accounting records and the day-to-day administration of the funds are dealt with by the Finance Department located at Frimley Health NHS Foundation Trust, Heatherwood Hospital, London Road, Ascot, Berkshire SL5 8AA.

3 Risk Management

The major risks to which the Charity is exposed have been identified and assessed, with systems in place that seek to mitigate those risks.

Although the current economic climate is relatively stable, the prospect of future economic downturns presents limited risk because in general the Charity does not enter into long-term spending commitments that are not covered by its income and tailors its expenditure to the funds available.

Expenditure is closely monitored; no fund manager is able to expend funds without the request first being checked by the Finance Department, which ensures the funds are available. The Charitable Funds Committee regularly reviews the movement on the different funds to satisfy itself that funds are being spent in accordance with the purpose for which they were raised and not retained to no benefit of the Charity, with significant fund holders asked to provide spending plans to support high balances.

There are no material uncertainties about the Charities ability to continue. The Charity is a public benefit entity.

4 Objectives and Strategy

The Charity's overarching objective is expressed as follows in the Trust Deed:

"The Trustee shall hold the Trust Fund upon trust to apply the income, and at its discretion, so far as may be permissible, the capital, for any charitable purposes relating to the NHS (hereinafter referred to as "the Objects")."

The Trustee has had regards to Charity Commission guidance on public benefit in section 17 of the Charities Act 2011 as well as the activities undertaken to further a charity's purposes for the benefit of the public as demonstrated in section 5 of the Annual Report.

The Charitable Funds Committee has defined the purpose of the Frimley Health Charity as follows:

The purpose of the Frimley Health Charity is to raise and receive money and other support from patients, staff and members of Frimley Health NHS Foundation Trust ("The Hospitals"), as well as from the wider community. The Trustee of the Charity is responsible for ensuring the funds raised are spent in accordance with the wishes of the donors if specified, Charity Commission guidelines, and all relevant legal requirements.

The overall aim of the Corporate Trustee is to enhance the capacity of the Hospitals, its staff, and volunteers to provide the best possible care for its patients, over and above the standards required by the NHS.

The Charitable Funds Committee continued to support the Trust's main strategic appeal in 2022-23:

- The Stroke Appeal building work continued in 2022/23 after a short delay and will be completed by September 2023 bringing superb new facilities for Stroke patients.
- The Dementia Appeal continued during 2022/23. Income and pledges for the Appeal are over £420,000 and the Trust has covered the costs of dementia activity coordinators and reception area adaptations.

5 Review of Finances, Achievements and Performance

The net assets of the Charity as at 31 March 2023 was £5,193,000 compared with £4,835,000 as at 31 March 2022, an overall increase of £358,000.

The total income received was £2,182,000 which represents an increase of £953,000 compared with the previous year (21/22 £1,229,000) and this was largely due to some high value legacies and donations being received.

Total expenditure was £1,824,000, which was a decrease of £3,000 on the previous year (2022/23 £1,827,000). Spend on equipment which was donated to the Trust rose to £600,000 (2021/22 £215,000) an increase of £385,000 on the previous year. £60,000 was spent on patient education and welfare (2021/22 £223,000) which was a decrease of £163,000 from the previous year. Spending on staff education and welfare decreased by £42,000 to £581,000 (2022/23 £623,000).

Total expenditure includes governance costs which are shown in **note 7** having been apportioned across the approved expenditure headings.

The Charity Lottery scheme (which is a community lottery), launched in 2018-19 saw progress throughout 2022-23 and reported a balance of £154,000 after taking into account Charitable projects and staff salaries. This lottery has significant income streams projected for future years which will increase general funds to use on the highest priority projects.

Fund Raising

Trustee's Annual Report for Frimley Health Charity
for the year ended 31 March 2023

The 2022/23 financial year has seen an encouraging lift in our income (£2.18m). There was great success with Jingle Jog with our new Event Manager, Megan Parry, leading on this event. We had more participants and income than ever before. We have also seen a number of legacies pledged (787,000). We have reviewed our database to ensure our charity's data is fit for the future as we expand our work. We continue to implement many Creative Health projects across the Trust. Major Donor and Trust and Foundation work is also expanding and the lottery topped £542,000 income this year.

One of the biggest changes in the charity has been the recruitment of a professional fundraising team to lead us towards our target of £5m/year income.

The uplift in income can be attributed to some significant legacy pledges, the growth in lottery income and general donation increases. We have promoted the charity in many ways through social media, posters on site, press releases and on our website. Posters around the Trust use the strapline, 'Your hospital, Your charity' and these have been well received. We have also redesigned all our lottery marketing to give it a fresh look and appeal. A major project to put up plaques across the Trust where charity funding has been received is well underway and is giving the charity much greater visibility. This will drive income up further.

Income

The Charity relies on donations, grants, and legacies as its main sources of income, this was £1,391,000 (2021/22 £625,000). This category represented 64% total income and was up on the previous year (2021/22 45%).

The Charity received £542,000 in respect of income from the community lottery during 2022/23 (£402,000 in 2021/22).

Expenditure

Expenditure included staff education and welfare of £581,000 (2021/22 - £623,000) this enabled nursing, medical and support staff to develop their skills by attending courses where innovation and new research ideas can be shared. Such opportunities are over and above the regular Trust programmes of staff development and are made possible through donations received in wards and departments from patients and relatives as a thank you. These funds are also used to support departmental team building events.

During the year the Charity also continued to support a range of other charitable and health related activities benefiting patients both directly and indirectly. The purchases were varied and were of a kind that would not normally be a priority for NHS funding and included the following items in excess of £10,000:

Trustee's Annual Report for Frimley Health Charity
for the year ended 31 March 2023

• Medical equipment for Paediatric and Neonatal	£41,311
• Computer equipment purchases for Breast Care	£76,440
• Run Frimley, Wexham and Fun Run Expenditure	£89,954
• Bike Sheds at Wexham Park	£15,530
• Music therapy for the Dementia patients	£29,547
• NHS Charities Partnership	£13,500
• Equipment for the Neonatal Unit	£12,838
• Wexham Park Christmas Catering for staff	£25,565

The Charity incurred £325,000 (£285,000 in 2021/22) in respect of expenses to support the continued growth of the community lottery and supported other charitable projects throughout the Trust to the sum of £115,000 during 2022/23 as opposed to £82,000 in 2021/22.

Going Concern

The Trustee has reasonable expectation that Frimley Health Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, there are no material uncertainties about the Charity's ability to continue as a going concern and the accounts have been prepared on this basis. The Trustees have also considered the implications of COVID-19 on cash flow forecasts and consider that as a result of its operating model explained within this Annual Report, even if no further funding is received in the 12 month period, the Charity has sufficient cash reserves to pay all committed costs.

6 Investment Policy

The Corporate Trustee has determined the investment policy as being, in so far as reasonable, to maintain and enhance the real value of the Charity's assets over the long term by an investment portfolio of low-risk assets.

7 Reserves Policy

The Trustee's policy is that funds should be spent when suitable applications arise, rather than that they should be retained indefinitely with the intention of generating investment income. This reflects the fact that the Charity does not generally enter into long-term commitments. The Trust does however have a level of operating expenditure of £603,000 (£406,000 for 2021/22) and the Trustees intend that an amount equal to six months' worth of expenditure £302,000 (£203,000 for 2021/22) be held in reserve to fund forward commitments.

Trustee's Annual Report for Frimley Health Charity
for the year ended 31 March 2023

The Charity also has funds which are designed to accumulate funds for a specific appeal and are therefore held until the appeal target is met. These funds are reviewed each year, but for 2022/23 the following are considered as reserved at 31st March:

• F028	Stroke Appeal	£576,717
• F030	Frimley Breast Care Appeal	£99,337
• F050	Dementia Campaign	£290,208
• F551	Breast Cancer Appeal	£41,444

The policy is reviewed on an annual basis.

8 Future Plans

It has been an exciting year to see the building of the new Stroke extension taking place. After many delays we now expect this to open in September 2023. This will make a significant difference to the life of stroke patients.

We have also seen the dementia appeal reach over £400,000 together with a significant portion of the budget being covered by the Trust. The dementia coordinators who were initially funded by the charity who pump primed the roles have now been taken on by the Trust as hugely valued members of the dementia team. As we reached the end of the year we were able to sit down with the dementia team and plan the expenditure. This is a very exciting stage in the development of the appeal.

The lottery raised over £540,000 and 2023/24 could see it hit £650,000. We have plans in place to build up a strong Bank staff team to canvass for more supporters combined with support from our corporate canvassing partner. This could see within 2 years our lottery hitting £1m income.


The other major change has been the development of a strong fundraising team. This now means that we can develop a diversified income with growing event income, increasing corporate partnerships, major donor and Trust and Foundation grants and a deepening of our community partnerships.

The future for the charity is looking very positive at present with rising income after the difficulties of the pandemic and the economic crisis, and a fully engaged, enthusiastic and experienced team.

A Big Thank You

On behalf of staff and patients who have benefitted from improved services due to the receipt of donations and legacies, the Corporate Trustee would like to thank all of those who have made charitable donations during the year.

Approved on behalf of the Corporate Trustee

A handwritten signature in black ink, appearing to read 'Bryan Ingleby', written in a cursive style.

Bryan Ingleby

Chairman

Date: 1st December 2023

Trustee's Annual Report for Frimley Health Charity
for the year ended 31 March 2023

Statement of Financial Activities for the year ended 31 March 2023

		Unrestricted Funds	Restricted Funds	Total Funds	Unrestricted Funds	Restricted Funds	Total Funds
	Note	£000	£000	31 March 2023 £000	£000	£000	31 March 2022 £000
Income from:							
Donations and legacies	3	1,374	17	1,391	473	152	625
Other trading activities	3	511	0	511	441	0	441
Charitable activities	4	238	0	238	155	0	155
Investments	5	32	10	42	5	3	8
Total Income		2,155	27	2,182	1,074	155	1,229
Expenditure from:							
Raising funds		164	1	165	122	(22)	100
Charitable activities	7	1,437	222	1,659	563	1,164	1,727
Total Expenditure		1,601	223	1,824	685	1,142	1,827
Net income		554	(196)	358	389	(987)	(598)
Net movement in funds		554	(196)	358	389	(987)	(598)
Reconciliation of Funds:							
Total Funds brought forward 1 April		4,217	618	4,835	3,828	1,605	5,433
Total Funds carried forward 31 March		4,771	422	5,193	4,217	618	4,835

All gains and losses recognised in the current and prior years are included in the Statement of Financial Activities. All amounts relate to continuing operations. There is no material difference between the net movement in funds as stated above and their historical cost equivalents.

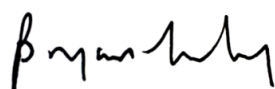
Trustee's Annual Report for Frimley Health Charity
for the year ended 31 March 2023

Balance Sheet as at 31 March 2023

	Note	Unrestricted Funds £000	Restricted Funds £000	Total Funds £000	Unrestricted Funds £000	Restricted Funds £000	Total Funds £000
			31 March 2023			31 March 2022	
Current Assets:	9						
Debtors		629	188	817	271	122	393
Investments		1,970	589	2,559	1,047	471	1,518
Cash at Bank and in Hand		1,588	474	2,062	2,101	944	3,045
Total Current Assets		4,187	1,251	5,438	3,419	1,537	4,956
Liabilities	10						
Creditors: Amounts falling due withi		189	56	245	83	38	121
Net Current Assets		3,998	1,195	5,193	3,336	1,499	4,835
Total Net Assets		3,998	1,195	5,193	3,336	1,499	4,835
Total funds of the Chari	11						
Restricted Income Funds			1,212	1,212		1,408	1,408
Unrestricted Income Funds		3,981		3,981	3,427		3,427
Total Charity Funds		3,981	1,212	5,193	3,427	1,408	4,835

The notes at pages 22 to 29 form part of these financial statements.

The financial statements on pages 19 to 29 were approved by the Corporate Trustee on 1st December 2023 and signed on its behalf by:



Bryan Ingleby

Chairman

Date: 1st December 2023

Statement of Cash Flows

Statement of Cash Flows:		
	Total Funds 2022/23 £000	Total Funds 2021/22 £000
Cash flows from operating activities:	16	(457)
Net cash provided by (used in) operating activities		
Cash flow from investing activities:		
Interest from investments	42	8
Proceeds from sale of investments	0	1,500
Purchase of investments	(1,042)	(6)
Net cash provided by (used in) operating activities	(1,000)	1,502
Change in cash and cash equivalents in the reporting period	(984)	1,045
Cash and cash equivalents at the beginning of the reporting period	3,045	2,000
Cash and cash equivalents at the end of the reporting period	2,061	3,045
Reconciliation of net income/(expenditure) to net cash flow from operating activities		
	2022/23 £000	2021/22 £000
Net income / (expenditure)	358	(598)
Adjustments for:		
Interest from investments	(42)	(8)
Decrease / (increase) in debtors	(424)	222
Increase / (decrease) in creditors	124	(72)
Net cash provided by (used in) operating activities	16	(456)
Analysis of cash and cash equivalents		
	2022/23 £000	2021/22 £000
Cash at Bank and in Hand	2,062	3,045
Total cash and cash equivalents	2,062	3,045

Notes to the Accounts

1. Accounting Policies

a) Basis of preparation

The financial statements have been prepared on a going concern basis which the Trustees consider to be appropriate for the following reasons:

- The business model of the Charity is such that its charitable activities are limited to those which it has sufficient funds to support from the excess of funding received over the costs of administering the charity. The charity therefore has no specific commitments and no committed costs beyond its fixed costs of operation which are detailed in note 6.
- The Trustees have reviewed the cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that the charity will have sufficient funds to meet its liabilities as they fall due for that period. The Trustees have also considered the implications of COVID-19 on these cash flow forecasts and consider that as a result of its operating model explained above, even if no further funding is received in the 12 month period, the charity has sufficient cash reserves to pay all committed costs.
- Consequently, the Trustees are confident that the charity will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements.

b) Reconciliation with previous generally accepted accounting practice

In preparing these accounts, the Trustee has considered whether any restatement of comparatives was required to comply with FRS 102 and the Charities SORP (FRS 102),

c) Funds Structure

Restricted funds are funds that are to be used in accordance with specific restrictions imposed by donors. Unrestricted funds comprise those funds that the Trustee is free to use for any purpose in furtherance of the charitable objects. The funds are disclosed in note 11.

d) Income

All income must be recognised when entitlement is established, the monetary value can be reliably measured and the receipt is probable.

Legacies are accounted for as income where the receipt of the legacy is probable; this will be once confirmation has been received from the representatives of the estate(s) that probate has been granted; there are sufficient assets in the estate to pay the legacy

Trustee's Annual Report for Frimley Health Charity
for the year ended 31 March 2023

and that all the conditions of the legacy have been fulfilled or are within the Charity's control.

Gift Aid

Gift Aid is included in income when there is a valid declaration from the donor. Any Gift Aid amount recovered on a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or the terms of the appeal have specified otherwise.

e) Expenditure

Expenditure is recognised when a liability is incurred. Grant commitments are recognised when a constructive obligation arises which results in a payment being unavoidable. Grants are only made to related or third party NHS bodies and non-NHS bodies in furtherance of the charitable objects of the funds. A liability for such grants is recognised when approval has been given by the Corporate Trustee. The Trust has full knowledge of the plans of the Trustee, therefore a grant approval is taken to constitute a firm intention of payment, which has been communicated to the Trust, and so a liability is recognised.

Contractual arrangements are recognised as goods and services are supplied.

f) Irrecoverable VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

g) Allocation of support costs

Support costs are those costs which do not relate directly to a single activity. These include some staff costs, costs of administration, internal and external audit costs and IT support. Support costs have been apportioned between fundraising costs and charitable activities on the basis of a proportion of total spend. The analysis of support costs and the basis of apportionment applied are shown in note 6.

h) Cost of raising funds

The costs of raising funds are fundraising expenses and consultancy costs.

Trustee's Annual Report for Frimley Health Charity
for the year ended 31 March 2023

i) Charitable Activities

Costs of charitable activities comprise all costs incurred in the pursuit of the charitable objects of the Charity. These costs include an apportionment of overhead and support costs as shown in note 6 and 7.

j) Transfers between funds

A transfer between funds is permitted provided the transfer is in keeping with the purpose of the funds and has been agreed by the relevant fund holders in all cases.

k) Cash and cash equivalents

Cash at bank and in hand is held to meet the day to day running costs of the Charity as they fall due.

l) Current asset investments

Current asset investments include cash on deposit and cash equivalents with a maturity of less than one year held for investment purposes rather than to meet short-term cash commitments as they fall due.

m) Debtors

Debtors are amounts owed to the Charity. They are measured on the basis of their recoverable amount.

n) Creditors

Creditors are amounts owed by the Charity. They are measured at the amount that the Charity expects to have to pay to settle the debt.

o) Taxation

The Charity is a registered charity, and as such is entitled to certain tax exemptions on income and profits from investments, and surpluses on any trading activities carried on in furtherance of the Charity's primary objects, if these profits and surpluses are applied solely for charitable purposes.

p) Significant accounting estimates and judgements

Estimates and judgements are periodically evaluated and are based on historical experience and other factors, including, expectations of future events that are believed to be reasonable under the circumstances.

Trustee's Annual Report for Frimley Health Charity
for the year ended 31 March 2023

Legacies have been accounted for as income where the receipt of the legacy is considered probable through:

- confirmation received from the representatives of the estate that probate has been granted;
- the executors have established that there are sufficient assets in the estate to pay the legacy; and
- all conditions attached to the legacy have been fulfilled or are within the Charity's control.

As at 31 March 2023, in addition to the legacy income that has been included in the accounts, the Charity expected to benefit from a number of legacies from estates for which these conditions were not met.

q) Ultimate parent undertaking and controlling party

The immediate and ultimate parent undertaking and controlling party is Frimley Health NHS Foundation Trust. The Charity results have not been consolidated within the accounts of Frimley Health NHS Foundation Trust on the basis of materiality.

2. Related Party Transactions

The Frimley Health NHS Foundation Trust is the beneficiary of the Charity. The Charity has provided funding to the Trust for approved expenditure made on behalf of the Charity. This funding amounted to £1,635,000 (2021/22 - £1,727,000) and is shown as expenditure from charitable activities.

During the year none of the members of the Foundation Trust's Board of Directors or key management, staff or person(s) related to them have undertaken any material transactions with, or been beneficiaries of, the Charity.

The amounts owed to the Charity by the Corporate Trustee as at 31 March 2023 was £1,103 (31 March 2022 £2,714). Amounts owed to the Corporate Trustee by the Charity as at 31 March 2023 were £101,744 (31 March 2022 £47,966). There is no security over the balances.

Trustee's Annual Report for Frimley Health Charity
for the year ended 31 March 2023

3. Analysis of Donations and Legacies and Other Trading Activities

	Unrestricted Funds £000	Restricted Funds £000	Total 31 March 2023 £000	Unrestricted Funds £000	Restricted Funds £000	Total 31 March 2022 £000
Donations from Individuals	468	0	468	336	44	380
Voluntary Organisations	- 31	- -	31	39	-	39
Corporate Donations	137	-	137	4	-	4
Legacies	770	17	787	133	108	241
Lottery	542	-	542	402	-	402
Total	1,886	17	1,903	914	152	1,066

4. Income from Charitable Activities

	Unrestricted Funds £000	Restricted Funds £000	Total 31 March 2023 £000	Unrestricted Funds £000	Restricted Funds £000	Total 31 March 2022 £000
Run Frimley	77	-	77	-	-	-
Appeals -General	158	-	158	152	-	152
Merchandising	3	-	3	2	-	2
Covid Appeal	-	-	-	1	-	1
Total	238	-	238	155	-	155

5. Income from investments

	Unrestricted Funds £000	Restricted Funds £000	Total 31 March 2023 £000	Unrestricted Funds £000	Restricted Funds £000	Total 31 March 2022 £000
Interest earned on Cash held in deposit accounts (current asset)	32	10	42	5	3	8
Total	32	10	42	5	3	8

Trustee's Annual Report for Frimley Health Charity
for the year ended 31 March 2023

6. Allocation of Support Costs and Overheads

Support Costs:				
		Basis of Apportionment	Total 31 March 2023 £000	Total 31 March 2022 £000
Financial Services		Estimate of time	50	50
External Audit		Invoice	8	6
Salaries and related costs		Estimate of time	545	350
Total			603	406
Apportionment of Support Costs across Charitable Activities stated in note 7:				
	Purchase of new Equipment £000	Staff Education and Welfare £000	Patient Education and Welfare £000	Total 31 March 2023 £000
Financial Services	24	24	3	51
External Audit	4	4	0	8
Salaries and related costs	257	260	27	544
Total	285	288	30	603
Apportionment of Support Costs across Charitable Activities stated in note 7:				
	Purchase of new Equipment £000	Staff Education and Welfare £000	Patient Education and Welfare £000	Total 31 March 2022 £000
Financial Services	10	29	11	50
External Audit	1	4	1	6
Salaries and related costs	71	205	74	350
Total	82	238	86	406

7. Analysis of Charitable Activities

	Activities Undertaken Directly £000	Allocation of Governance Costs £000	Total 31 March 2023 £000		Activities Undertaken Directly £000	Allocation of Governance Costs £000	Total 31 March 2022 £000
Purchase of New Equipment	315	285	600		133	82	215
Patient Education and Welfare	30	30	60		138	85	223
Staff Education and Welfare	293	288	581		385	238	623
Lottery	325	-	325		285	-	285
Other	63	-	63		54	-	54
Grants Payable	30	-	30		326	-	326
Total	1,056	603	1,659		1,321	405	1,726

8. Auditors' Remuneration

The Auditors' remuneration was £6,950 excluding VAT and relates directly to work undertaken on the external audit of the Annual Report and Accounts. 2021/22 auditors' remuneration was £5,000 excluding VAT.

Trustee's Annual Report for Frimley Health Charity
for the year ended 31 March 2023

9. Analysis of Current Assets

Analysis of current assets		
	31 March 2023	31 March 2022
	£000	£000
Debtors due within one year		
Other debtors	13	3
Accrued Income	798	390
Prepayments	6	-
Total	817	393
	31 March 2023	31 March 2022
	£000	£000
Investments		
COIF Deposit Account	766	750
Santander Deposit Account	784	768
Investec	1,009	-
Total	2,559	1,518
	31 March 2023	31 March 2022
	£000	£000
Cash at Bank and In Hand		
Lloyds Bank Current Account	2,062	3,045
Total	2,062	3,045

10. Analysis of Liabilities

Analysis of liabilities		
	31 March 2023	31 March 2022
	£000	£000
Creditors: Amounts falling due within one year		
Other Creditors	102	48
Accruals	143	73
Total	245	121

Trustee's Annual Report for Frimley Health Charity
for the year ended 31 March 2023

11. Analysis of Charitable Funds

	Balance 1 April 2022 £000	Income £000	Expenditure £000	Balance 31 March 2023 £000
Restricted Umbrella Funds:				
Nhs Charities Together	18	-	(18)	-
Nhs Charities Together Ics	66	-	(66)	-
Fleet Hospital Legacy	397	7	(38)	366
Verona Legacy Fund (R)	216	2	(15)	203
Dementia Care	8	-	(1)	7
Ophthalmic Surgery (R)	26	13	(39)	-
Holgate Legacy (R)	675	5	(46)	634
Ophthalmology Research (R)	2	-	-	2
Total	1,408	27	(223)	1,212
Unrestricted Umbrella Funds	3,427	2,155	(1,601)	3,981
Total	3,427	2,155	(1,601)	3,981
TOTAL	4,835	2,182	(1,824)	5,193
	Balance 1 April 2021 £000	Income £000	Expenditure £000	Balance 31 March 2022 £000
Restricted Umbrella Funds:				
Nhs Charities Together	221	0	(203)	18
Nhs Charities Together Ics	324	43	(301)	66
Fleet Hospital Legacy	375	91	(69)	397
Verona Legacy Fund (R)	229	0	(13)	216
Dementia Care	9	0	(1)	8
Ophthalmic Surgery (R)	10	19	(3)	26
Holgate Legacy (R)	713	1	(39)	675
Ophthalmology Research (R)	2	0	0	2
Total	1,883	154	(629)	1,408
Unrestricted Umbrella Funds	3,552	1,074	(1,199)	3,427
Total	3,552	1,074	(1,199)	3,427
TOTAL	5,435	1,228	(1,828)	4,835

12. Events after the end of the reporting period

No post balance sheet events have taken place past the end of the reporting period that require adjustment.



ANNUAL REPORT AND ACCOUNTS

2022-23

Frimley Health Charity

Reg. No. 1049600

Contents

SECTION ONE

Independent Auditor Report to the members of Frimley Health Charity

SECTION TWO

Annual Report and Accounts

Contents.....	1
Independent Auditor Report	2
1 Foreword	9
2 Structure, Governance and Management	10
3 Risk Management	13
4 Objectives and Strategy	13
5 Review of Finances, Achievements and Performance	14
6 Investment Policy.....	16
7 Reserves Policy.....	16
8 Future Plans	17
Statement of Financial Activities for the year ended 31 March 2023	19
Balance Sheet as at 31 March 2023.....	20
Statement of Cash Flows	21
Notes to the Accounts	22

SECTION ONE

Independent Auditor Report

Independent auditor's report to the Trustee of Frimley Health Charity

Opinion

We have audited the financial statements of Frimley Health Charity ("the charity") for the year ended 31 March 2023 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 (or its predecessors) and report in accordance with regulations made under section 154 of that Act. We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the charity in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The trustee has prepared the financial statements on the going concern basis as they do not intend to liquidate the charity or to cease its operations, and as they have concluded that the charity's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the trustee's conclusions, we considered the inherent risks to the charity's business model and analysed how those risks might affect the charity's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the trustee's assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the charity will continue in operation.

Fraud and breaches of laws and regulations – ability to detect
Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of management and inspection of policy documentation as to the Charity's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Charitable Fund Committee minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because the Charity has no profit motive and is not required by any regulatory body to achieve any specific financial targets. In addition, the majority of income is received in the form of donations, legacies or investment returns informed by a third party, so the opportunity to manipulate the revenue figure is limited.

We did not identify any additional fraud risks.

We performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included those journals posted to unusual account combinations.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general sector experience and through discussion with the directors and other management (as required by auditing standards), from inspection of the

Trustee's Annual Report for Frimley Health Charity
for the year ended 31 March 2023

Charity's regulatory and legal correspondence and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Charity is subject to laws and regulations that directly affect the financial statements, including financial reporting legislation (including related charities legislation) and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Whilst the Charity is subject to many laws and regulations, we did not identify any where the consequences of non-compliance alone could have a material effect on amounts or disclosures in the financial statements.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information

The trustee is responsible for the other information, which comprises the Trustee's Annual Report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. We are required to report to you if:

- based solely on that work, we have identified material misstatements in the other information; or

Trustee's Annual Report for Frimley Health Charity
for the year ended 31 March 2023

- in our opinion the information given in the Trustee's Annual Report is inconsistent in any material respect with the financial statements.
We have nothing to report in these respects.

Matters on which we are required to report by exception

Under the Charities Act 2011 we are required to report to you if, in our opinion:

- the charity has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records; or
- We have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Trustee's responsibilities

As explained more fully in their statement set out on page 11, the trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

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

This report is made solely to the charity's trustee, as a body, in accordance with section 144 of the Charities Act 2011 (or its predecessors) and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we

Trustee's Annual Report for Frimley Health Charity
for the year ended 31 March 2023

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 charity and its trustee, as a body, for our audit work, for this report, or for the opinions we have formed.



Jessica Hargreaves

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

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

15 Canada Square,

Canary Wharf,

London,

E14 5GL

14 December 2023

SECTION TWO

Annual Report and Accounts

1 Foreword

The Corporate Trustee presents the Frimley Health Charity ("The Charity") Annual Report together with the audited financial statements for the year ended 31 March 2023.

The Charity's Annual Report and Accounts for the year ended 31 March 2023 have been prepared by the Corporate Trustee in accordance with the Charities Act 2011, the Charities Statement of Recommended Practice (FRS 102), and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

The Charity's Annual Report and Accounts include all of the separately established funds for which the Frimley Health NHS Foundation Trust is the sole beneficiary.

The Charity is registered with the Charity Commission (registration number 1049600) in accordance with the Charities Act 2011.

1.1 Reference and Administrative Details

The Charity was formed by Trust Deed (Declaration of Trust) on 26 September 1995 and entered on the Central Register of Charities on 4 October 1995. The registration was as an Umbrella Charity; Registered Charity Number 1049600. The Charity is currently known as Frimley Health Charity.

Supplemental deed dated 23 May 2005 changed the name to Frimley Park Hospital NHS Foundation Trust Charitable Fund, further amended by a supplemental deed dated 4 January 2014 to Frimley Park Hospital Charity. This was further amended in March 2015 to Frimley Health Charity as approved by the Trustee following the acquisition of Heatherwood and Wexham Park Hospitals NHS Foundation Trust by Frimley Park Hospital NHS Foundation Trust.

Charitable funds received by the Charity are accepted, held and administered as funds and property for purposes relating to the Health Service in accordance with the National Health Service Act 1977 and the National Health Service and Community Care Act 1990, these funds are held on trust by the Corporate body.

1.2 Principal Office

Frimley Health NHS Foundation Trust
Frimley Park Hospital
Portsmouth Road
Frimley
Surrey GU16 7UJ

1.3 Bankers

Lloyds Bank PLC
19/23 Obelisk Way
Camberley
Surrey GU15 3SE

Lloyds Bank PLC
24 High Street
Slough
Berkshire SL1 1EJ

Barclays Bank PLC
London Corporate Banking
1 Churchill Place
London E14 5HP

Trustee's Annual Report for Frimley Health Charity
for the year ended 31 March 2023

Investec Bank Plc
30 Gresham Street
London
EC2V 7QP

CCLA
One Angel Lane
London
EC4R 3AB

Santander UK PLC
2 Triton Square
Regent's Place
London NW1 3AN

1.4 Independent Auditor

KPMG LLP
15 Canada Square
Canary Wharf
London E14 5GL

1.5 Solicitor

Capsticks
1 St George's Road
Wimbledon
London SW19 4DR

2 Structure, Governance and Management

2.1 Trustee

The Frimley Health NHS Foundation Trust is the Corporate Trustee of the Charity governed by the law applicable to Trusts, principally the Trustee Act 2000 and the Charities Act 2011. Acting as Corporate Trustee, the Trust's Board of Directors is responsible for the overall management of the Charity.

The Chair and Non-Executive members of the Trust Board are appointed by the Trust's Council of Governors. The Chief Executive is appointed by the Chair and Non-Executive Directors (subject to ratification by the Council of Governors). Executive members of the Trust Board are subject to recruitment by the Chairman, Non-Executive Directors and Chief Executive. Members of the Trust Board are not individual Trustees under Charity Law, but act as agents on behalf of the Corporate Trustee. Duties are discharged through dedicated Trustee meetings.

For operational purposes the Trustees, during the financial year 2022/23, were deemed to be the Chairman, Non-Executive Directors and Executive Directors of Frimley Health NHS Foundation Trust. The Director of Finance acted as the principal officer overseeing the day-to-day financial management and accounting for the Charity during the year. The members of the Board of the Corporate Trustee who served during the financial year and up to the date of signing the financial statements were as follows:

Trustee's Annual Report for Frimley Health Charity
for the year ended 31 March 2023

Non-Executive Directors:

Bryan Ingleby – Chairman
Michael O'Donovan
Dawn Kenson
John Weaver
Michael Baxter
Linda Burke
Gary McRae

Executive Directors:

Neil Dardis	Chief Executive
Timothy Ho	Medical Director
Nigel Foster	Director of Finance
Caroline Hutton	Chief Operating Officer
Lorna Wilkinson	Director of Nursing and Midwifery
Matt Joint	Director of People

Induction and training are organised for new Directors of the Corporate Trustee on a case-by-case basis. This includes a series of one-to-one meetings with the Chairman, the executive directors and senior managers.

2.2 Statement of Trustee's Responsibilities in respect of the Trustee's Annual Report and Financial Statements

Under the trust deed and rules of the charity and charity law, the trustees are responsible for preparing a Trustees' Annual Report and the financial statements in accordance with applicable law and regulations. The trustees are required to prepare the financial statements in accordance with UK Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources for that period.

In preparing these financial statements, generally accepted accounting practice entails that the trustees:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether the financial statements comply with the trust deed and rules, subject to any material departures disclosed and explained in the financial statements;

Trustee's Annual Report for Frimley Health Charity
for the year ended 31 March 2023

- assess the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

The trustees are required to act in accordance with the trust deed and the rules of the charity, within the framework of trust law. They are responsible for keeping accounting records which are sufficient to show and explain the charity's transactions and disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the trustees to ensure that, where any statements of accounts are prepared by them under section 132(1) of the Charities Act 2011, those statements of accounts comply with the requirements of regulations under that provision. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the financial and other information included on the charity's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

2.3 Charitable Funds Committee

The Charitable Funds Committee was established by the Trustee to oversee the day-to-day management of the Charity in accordance with the duties of the Trustee, and to report regularly to the Trustee on the discharge of its responsibilities. The Charitable Funds Committee is chaired by a Non-Executive Director of the Trust and includes Executive and Directors as well as individuals who are not members of the Board of Directors. The members who served during the financial year and up to the date of signing the financial statements were as follows:

Members:

John Weaver	Non-Executive Director & Committee Chair
Carol Deans	Director of Communication and Engagement
Edward John	Director of Operational Finance (until January 2023)
Stephen Jones	Director of Operational Finance (from January 2023)

Attendees:

Lorna Wilkinson	Chief of Nursing & Midwifery
Judith Gudgeon	Consultant
Jeetesh Bhardwa	Consultant
Philippa Hooton	Head of Nursing Medicine & Elderly Care

Trustee's Annual Report for Frimley Health Charity
for the year ended 31 March 2023

Alison Stevens	Corporate Head of Nursing FPH
Joanna Hawks	Matron, Wexham ED
Stuart Bendermacher	Matron Emergency Assessments
Ann McDonald	Associate Director of Finance
Aman Jhalli	Head of Technical Accounts
Andrew House	Charity Director
Anthony Kerslake	Head of Fundraising

The accounting records and the day-to-day administration of the funds are dealt with by the Finance Department located at Frimley Health NHS Foundation Trust, Heatherwood Hospital, London Road, Ascot, Berkshire SL5 8AA.

3 Risk Management

The major risks to which the Charity is exposed have been identified and assessed, with systems in place that seek to mitigate those risks.

Although the current economic climate is relatively stable, the prospect of future economic downturns presents limited risk because in general the Charity does not enter into long-term spending commitments that are not covered by its income and tailors its expenditure to the funds available.

Expenditure is closely monitored; no fund manager is able to expend funds without the request first being checked by the Finance Department, which ensures the funds are available. The Charitable Funds Committee regularly reviews the movement on the different funds to satisfy itself that funds are being spent in accordance with the purpose for which they were raised and not retained to no benefit of the Charity, with significant fund holders asked to provide spending plans to support high balances.

There are no material uncertainties about the Charities ability to continue. The Charity is a public benefit entity.

4 Objectives and Strategy

The Charity's overarching objective is expressed as follows in the Trust Deed:

"The Trustee shall hold the Trust Fund upon trust to apply the income, and at its discretion, so far as may be permissible, the capital, for any charitable purposes relating to the NHS (hereinafter referred to as "the Objects")."

The Trustee has had regards to Charity Commission guidance on public benefit in section 17 of the Charities Act 2011 as well as the activities undertaken to further a charity's purposes for the benefit of the public as demonstrated in section 5 of the Annual Report.

The Charitable Funds Committee has defined the purpose of the Frimley Health Charity as follows:

The purpose of the Frimley Health Charity is to raise and receive money and other support from patients, staff and members of Frimley Health NHS Foundation Trust ("The Hospitals"), as well as from the wider community. The Trustee of the Charity is responsible for ensuring the funds raised are spent in accordance with the wishes of the donors if specified, Charity Commission guidelines, and all relevant legal requirements.

The overall aim of the Corporate Trustee is to enhance the capacity of the Hospitals, its staff, and volunteers to provide the best possible care for its patients, over and above the standards required by the NHS.

The Charitable Funds Committee continued to support the Trust's main strategic appeal in 2022-23:

- The Stroke Appeal building work continued in 2022/23 after a short delay and will be completed by September 2023 bringing superb new facilities for Stroke patients.
- The Dementia Appeal continued during 2022/23. Income and pledges for the Appeal are over £420,000 and the Trust has covered the costs of dementia activity coordinators and reception area adaptations.

5 Review of Finances, Achievements and Performance

The net assets of the Charity as at 31 March 2023 was £5,193,000 compared with £4,835,000 as at 31 March 2022, an overall increase of £358,000.

The total income received was £2,182,000 which represents an increase of £953,000 compared with the previous year (21/22 £1,229,000) and this was largely due to some high value legacies and donations being received.

Total expenditure was £1,824,000, which was a decrease of £3,000 on the previous year (2022/23 £1,827,000). Spend on equipment which was donated to the Trust rose to £600,000 (2021/22 £215,000) an increase of £385,000 on the previous year. £60,000 was spent on patient education and welfare (2021/22 £223,000) which was a decrease of £163,000 from the previous year. Spending on staff education and welfare decreased by £42,000 to £581,000 (2022/23 £623,000).

Total expenditure includes governance costs which are shown in **note 7** having been apportioned across the approved expenditure headings.

The Charity Lottery scheme (which is a community lottery), launched in 2018-19 saw progress throughout 2022-23 and reported a balance of £154,000 after taking into account Charitable projects and staff salaries. This lottery has significant income streams projected for future years which will increase general funds to use on the highest priority projects.

Fund Raising

Trustee's Annual Report for Frimley Health Charity
for the year ended 31 March 2023

The 2022/23 financial year has seen an encouraging lift in our income (£2.18m). There was great success with Jingle Jog with our new Event Manager, Megan Parry, leading on this event. We had more participants and income than ever before. We have also seen a number of legacies pledged (787,000). We have reviewed our database to ensure our charity's data is fit for the future as we expand our work. We continue to implement many Creative Health projects across the Trust. Major Donor and Trust and Foundation work is also expanding and the lottery topped £542,000 income this year.

One of the biggest changes in the charity has been the recruitment of a professional fundraising team to lead us towards our target of £5m/year income.

The uplift in income can be attributed to some significant legacy pledges, the growth in lottery income and general donation increases. We have promoted the charity in many ways through social media, posters on site, press releases and on our website. Posters around the Trust use the strapline, 'Your hospital, Your charity' and these have been well received. We have also redesigned all our lottery marketing to give it a fresh look and appeal. A major project to put up plaques across the Trust where charity funding has been received is well underway and is giving the charity much greater visibility. This will drive income up further.

Income

The Charity relies on donations, grants, and legacies as its main sources of income, this was £1,391,000 (2021/22 £625,000). This category represented 64% total income and was up on the previous year (2021/22 45%).

The Charity received £542,000 in respect of income from the community lottery during 2022/23 (£402,000 in 2021/22).

Expenditure

Expenditure included staff education and welfare of £581,000 (2021/22 - £623,000) this enabled nursing, medical and support staff to develop their skills by attending courses where innovation and new research ideas can be shared. Such opportunities are over and above the regular Trust programmes of staff development and are made possible through donations received in wards and departments from patients and relatives as a thank you. These funds are also used to support departmental team building events.

During the year the Charity also continued to support a range of other charitable and health related activities benefiting patients both directly and indirectly. The purchases were varied and were of a kind that would not normally be a priority for NHS funding and included the following items in excess of £10,000:

Trustee's Annual Report for Frimley Health Charity
for the year ended 31 March 2023

• Medical equipment for Paediatric and Neonatal	£41,311
• Computer equipment purchases for Breast Care	£76,440
• Run Frimley, Wexham and Fun Run Expenditure	£89,954
• Bike Sheds at Wexham Park	£15,530
• Music therapy for the Dementia patients	£29,547
• NHS Charities Partnership	£13,500
• Equipment for the Neonatal Unit	£12,838
• Wexham Park Christmas Catering for staff	£25,565

The Charity incurred £325,000 (£285,000 in 2021/22) in respect of expenses to support the continued growth of the community lottery and supported other charitable projects throughout the Trust to the sum of £115,000 during 2022/23 as opposed to £82,000 in 2021/22.

Going Concern

The Trustee has reasonable expectation that Frimley Health Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, there are no material uncertainties about the Charity's ability to continue as a going concern and the accounts have been prepared on this basis. The Trustees have also considered the implications of COVID-19 on cash flow forecasts and consider that as a result of its operating model explained within this Annual Report, even if no further funding is received in the 12 month period, the Charity has sufficient cash reserves to pay all committed costs.

6 Investment Policy

The Corporate Trustee has determined the investment policy as being, in so far as reasonable, to maintain and enhance the real value of the Charity's assets over the long term by an investment portfolio of low-risk assets.

7 Reserves Policy

The Trustee's policy is that funds should be spent when suitable applications arise, rather than that they should be retained indefinitely with the intention of generating investment income. This reflects the fact that the Charity does not generally enter into long-term commitments. The Trust does however have a level of operating expenditure of £603,000 (£406,000 for 2021/22) and the Trustees intend that an amount equal to six months' worth of expenditure £302,000 (£203,000 for 2021/22) be held in reserve to fund forward commitments.

Trustee's Annual Report for Frimley Health Charity
for the year ended 31 March 2023

The Charity also has funds which are designed to accumulate funds for a specific appeal and are therefore held until the appeal target is met. These funds are reviewed each year, but for 2022/23 the following are considered as reserved at 31st March:

• F028	Stroke Appeal	£576,717
• F030	Frimley Breast Care Appeal	£99,337
• F050	Dementia Campaign	£290,208
• F551	Breast Cancer Appeal	£41,444

The policy is reviewed on an annual basis.

8 Future Plans

It has been an exciting year to see the building of the new Stroke extension taking place. After many delays we now expect this to open in September 2023. This will make a significant difference to the life of stroke patients.

We have also seen the dementia appeal reach over £400,000 together with a significant portion of the budget being covered by the Trust. The dementia coordinators who were initially funded by the charity who pump primed the roles have now been taken on by the Trust as hugely valued members of the dementia team. As we reached the end of the year we were able to sit down with the dementia team and plan the expenditure. This is a very exciting stage in the development of the appeal.

The lottery raised over £540,000 and 2023/24 could see it hit £650,000. We have plans in place to build up a strong Bank staff team to canvass for more supporters combined with support from our corporate canvassing partner. This could see within 2 years our lottery hitting £1m income.


The other major change has been the development of a strong fundraising team. This now means that we can develop a diversified income with growing event income, increasing corporate partnerships, major donor and Trust and Foundation grants and a deepening of our community partnerships.

The future for the charity is looking very positive at present with rising income after the difficulties of the pandemic and the economic crisis, and a fully engaged, enthusiastic and experienced team.

A Big Thank You

On behalf of staff and patients who have benefitted from improved services due to the receipt of donations and legacies, the Corporate Trustee would like to thank all of those who have made charitable donations during the year.

Approved on behalf of the Corporate Trustee

A handwritten signature in black ink, appearing to read 'Bryan Ingleby', written in a cursive style.

Bryan Ingleby

Chairman

Date: 1st December 2023

Trustee's Annual Report for Frimley Health Charity
for the year ended 31 March 2023

Statement of Financial Activities for the year ended 31 March 2023

		Unrestricted Funds	Restricted Funds	Total Funds	Unrestricted Funds	Restricted Funds	Total Funds
	Note	£000	£000	31 March 2023 £000	£000	£000	31 March 2022 £000
Income from:							
Donations and legacies	3	1,374	17	1,391	473	152	625
Other trading activities	3	511	0	511	441	0	441
Charitable activities	4	238	0	238	155	0	155
Investments	5	32	10	42	5	3	8
Total Income		2,155	27	2,182	1,074	155	1,229
Expenditure from:							
Raising funds		164	1	165	122	(22)	100
Charitable activities	7	1,437	222	1,659	563	1,164	1,727
Total Expenditure		1,601	223	1,824	685	1,142	1,827
Net income		554	(196)	358	389	(987)	(598)
Net movement in funds		554	(196)	358	389	(987)	(598)
Reconciliation of Funds:							
Total Funds brought forward 1 April		4,217	618	4,835	3,828	1,605	5,433
Total Funds carried forward 31 March		4,771	422	5,193	4,217	618	4,835

All gains and losses recognised in the current and prior years are included in the Statement of Financial Activities. All amounts relate to continuing operations. There is no material difference between the net movement in funds as stated above and their historical cost equivalents.

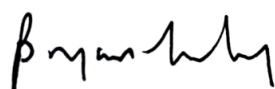
Trustee's Annual Report for Frimley Health Charity
for the year ended 31 March 2023

Balance Sheet as at 31 March 2023

	Note	Unrestricted Funds £000	Restricted Funds £000	Total Funds £000	Unrestricted Funds £000	Restricted Funds £000	Total Funds £000
			31 March 2023			31 March 2022	
Current Assets:	9						
Debtors		629	188	817	271	122	393
Investments		1,970	589	2,559	1,047	471	1,518
Cash at Bank and in Hand		1,588	474	2,062	2,101	944	3,045
Total Current Assets		4,187	1,251	5,438	3,419	1,537	4,956
Liabilities	10						
Creditors: Amounts falling due withi		189	56	245	83	38	121
Net Current Assets		3,998	1,195	5,193	3,336	1,499	4,835
Total Net Assets		3,998	1,195	5,193	3,336	1,499	4,835
Total funds of the Chari	11						
Restricted Income Funds			1,212	1,212		1,408	1,408
Unrestricted Income Funds		3,981		3,981	3,427		3,427
Total Charity Funds		3,981	1,212	5,193	3,427	1,408	4,835

The notes at pages 22 to 29 form part of these financial statements.

The financial statements on pages 19 to 29 were approved by the Corporate Trustee on 1st December 2023 and signed on its behalf by:



Bryan Ingleby

Chairman

Date: 1st December 2023

Statement of Cash Flows

Statement of Cash Flows:		
	Total Funds 2022/23 £000	Total Funds 2021/22 £000
Cash flows from operating activities:	16	(457)
Net cash provided by (used in) operating activities		
Cash flow from investing activities:		
Interest from investments	42	8
Proceeds from sale of investments	0	1,500
Purchase of investments	(1,042)	(6)
Net cash provided by (used in) operating activities	(1,000)	1,502
Change in cash and cash equivalents in the reporting period	(984)	1,045
Cash and cash equivalents at the beginning of the reporting period	3,045	2,000
Cash and cash equivalents at the end of the reporting period	2,061	3,045
Reconciliation of net income/(expenditure) to net cash flow from operating activities		
	2022/23 £000	2021/22 £000
Net income / (expenditure)	358	(598)
Adjustments for:		
Interest from investments	(42)	(8)
Decrease / (increase) in debtors	(424)	222
Increase / (decrease) in creditors	124	(72)
Net cash provided by (used in) operating activities	16	(456)
Analysis of cash and cash equivalents		
	2022/23 £000	2021/22 £000
Cash at Bank and in Hand	2,062	3,045
Total cash and cash equivalents	2,062	3,045

Notes to the Accounts

1. Accounting Policies

a) Basis of preparation

The financial statements have been prepared on a going concern basis which the Trustees consider to be appropriate for the following reasons:

- The business model of the Charity is such that its charitable activities are limited to those which it has sufficient funds to support from the excess of funding received over the costs of administering the charity. The charity therefore has no specific commitments and no committed costs beyond its fixed costs of operation which are detailed in note 6.
- The Trustees have reviewed the cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that the charity will have sufficient funds to meet its liabilities as they fall due for that period. The Trustees have also considered the implications of COVID-19 on these cash flow forecasts and consider that as a result of its operating model explained above, even if no further funding is received in the 12 month period, the charity has sufficient cash reserves to pay all committed costs.
- Consequently, the Trustees are confident that the charity will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements.

b) Reconciliation with previous generally accepted accounting practice

In preparing these accounts, the Trustee has considered whether any restatement of comparatives was required to comply with FRS 102 and the Charities SORP (FRS 102),

c) Funds Structure

Restricted funds are funds that are to be used in accordance with specific restrictions imposed by donors. Unrestricted funds comprise those funds that the Trustee is free to use for any purpose in furtherance of the charitable objects. The funds are disclosed in note 11.

d) Income

All income must be recognised when entitlement is established, the monetary value can be reliably measured and the receipt is probable.

Legacies are accounted for as income where the receipt of the legacy is probable; this will be once confirmation has been received from the representatives of the estate(s) that probate has been granted; there are sufficient assets in the estate to pay the legacy

Trustee's Annual Report for Frimley Health Charity
for the year ended 31 March 2023

and that all the conditions of the legacy have been fulfilled or are within the Charity's control.

Gift Aid

Gift Aid is included in income when there is a valid declaration from the donor. Any Gift Aid amount recovered on a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or the terms of the appeal have specified otherwise.

e) Expenditure

Expenditure is recognised when a liability is incurred. Grant commitments are recognised when a constructive obligation arises which results in a payment being unavoidable. Grants are only made to related or third party NHS bodies and non-NHS bodies in furtherance of the charitable objects of the funds. A liability for such grants is recognised when approval has been given by the Corporate Trustee. The Trust has full knowledge of the plans of the Trustee, therefore a grant approval is taken to constitute a firm intention of payment, which has been communicated to the Trust, and so a liability is recognised.

Contractual arrangements are recognised as goods and services are supplied.

f) Irrecoverable VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

g) Allocation of support costs

Support costs are those costs which do not relate directly to a single activity. These include some staff costs, costs of administration, internal and external audit costs and IT support. Support costs have been apportioned between fundraising costs and charitable activities on the basis of a proportion of total spend. The analysis of support costs and the basis of apportionment applied are shown in note 6.

h) Cost of raising funds

The costs of raising funds are fundraising expenses and consultancy costs.

Trustee's Annual Report for Frimley Health Charity
for the year ended 31 March 2023

i) Charitable Activities

Costs of charitable activities comprise all costs incurred in the pursuit of the charitable objects of the Charity. These costs include an apportionment of overhead and support costs as shown in note 6 and 7.

j) Transfers between funds

A transfer between funds is permitted provided the transfer is in keeping with the purpose of the funds and has been agreed by the relevant fund holders in all cases.

k) Cash and cash equivalents

Cash at bank and in hand is held to meet the day to day running costs of the Charity as they fall due.

l) Current asset investments

Current asset investments include cash on deposit and cash equivalents with a maturity of less than one year held for investment purposes rather than to meet short-term cash commitments as they fall due.

m) Debtors

Debtors are amounts owed to the Charity. They are measured on the basis of their recoverable amount.

n) Creditors

Creditors are amounts owed by the Charity. They are measured at the amount that the Charity expects to have to pay to settle the debt.

o) Taxation

The Charity is a registered charity, and as such is entitled to certain tax exemptions on income and profits from investments, and surpluses on any trading activities carried on in furtherance of the Charity's primary objects, if these profits and surpluses are applied solely for charitable purposes.

p) Significant accounting estimates and judgements

Estimates and judgements are periodically evaluated and are based on historical experience and other factors, including, expectations of future events that are believed to be reasonable under the circumstances.

Trustee's Annual Report for Frimley Health Charity
for the year ended 31 March 2023

Legacies have been accounted for as income where the receipt of the legacy is considered probable through:

- confirmation received from the representatives of the estate that probate has been granted;
- the executors have established that there are sufficient assets in the estate to pay the legacy; and
- all conditions attached to the legacy have been fulfilled or are within the Charity's control.

As at 31 March 2023, in addition to the legacy income that has been included in the accounts, the Charity expected to benefit from a number of legacies from estates for which these conditions were not met.

q) Ultimate parent undertaking and controlling party

The immediate and ultimate parent undertaking and controlling party is Frimley Health NHS Foundation Trust. The Charity results have not been consolidated within the accounts of Frimley Health NHS Foundation Trust on the basis of materiality.

2. Related Party Transactions

The Frimley Health NHS Foundation Trust is the beneficiary of the Charity. The Charity has provided funding to the Trust for approved expenditure made on behalf of the Charity. This funding amounted to £1,635,000 (2021/22 - £1,727,000) and is shown as expenditure from charitable activities.

During the year none of the members of the Foundation Trust's Board of Directors or key management, staff or person(s) related to them have undertaken any material transactions with, or been beneficiaries of, the Charity.

The amounts owed to the Charity by the Corporate Trustee as at 31 March 2023 was £1,103 (31 March 2022 £2,714). Amounts owed to the Corporate Trustee by the Charity as at 31 March 2023 were £101,744 (31 March 2022 £47,966). There is no security over the balances.

Trustee's Annual Report for Frimley Health Charity
for the year ended 31 March 2023

3. Analysis of Donations and Legacies and Other Trading Activities

	Unrestricted Funds £000	Restricted Funds £000	Total 31 March 2023 £000	Unrestricted Funds £000	Restricted Funds £000	Total 31 March 2022 £000
Donations from Individuals	468	0	468	336	44	380
Voluntary Organisations	- 31	- -	31	39	-	39
Corporate Donations	137	-	137	4	-	4
Legacies	770	17	787	133	108	241
Lottery	542	-	542	402	-	402
Total	1,886	17	1,903	914	152	1,066

4. Income from Charitable Activities

	Unrestricted Funds £000	Restricted Funds £000	Total 31 March 2023 £000	Unrestricted Funds £000	Restricted Funds £000	Total 31 March 2022 £000
Run Frimley	77	-	77	-	-	-
Appeals -General	158	-	158	152	-	152
Merchandising	3	-	3	2	-	2
Covid Appeal	-	-	-	1	-	1
Total	238	-	238	155	-	155

5. Income from investments

	Unrestricted Funds £000	Restricted Funds £000	Total 31 March 2023 £000	Unrestricted Funds £000	Restricted Funds £000	Total 31 March 2022 £000
Interest earned on Cash held in deposit accounts (current asset)	32	10	42	5	3	8
Total	32	10	42	5	3	8

Trustee's Annual Report for Frimley Health Charity
for the year ended 31 March 2023

6. Allocation of Support Costs and Overheads

Support Costs:				
		Basis of Apportionment	Total 31 March 2023 £000	Total 31 March 2022 £000
Financial Services		Estimate of time	50	50
External Audit		Invoice	8	6
Salaries and related costs		Estimate of time	545	350
Total			603	406
Apportionment of Support Costs across Charitable Activities stated in note 7:	Purchase of new Equipment £000	Staff Education and Welfare £000	Patient Education and Welfare £000	Total 31 March 2023 £000
Financial Services	24	24	3	51
External Audit	4	4	0	8
Salaries and related costs	257	260	27	544
Total	285	288	30	603
Apportionment of Support Costs across Charitable Activities stated in note 7:	Purchase of new Equipment £000	Staff Education and Welfare £000	Patient Education and Welfare £000	Total 31 March 2022 £000
Financial Services	10	29	11	50
External Audit	1	4	1	6
Salaries and related costs	71	205	74	350
Total	82	238	86	406

7. Analysis of Charitable Activities

	Activities Undertaken Directly £000	Allocation of Governance Costs £000	Total 31 March 2023 £000		Activities Undertaken Directly £000	Allocation of Governance Costs £000	Total 31 March 2022 £000
Purchase of New Equipment	315	285	600		133	82	215
Patient Education and Welfare	30	30	60		138	85	223
Staff Education and Welfare	293	288	581		385	238	623
Lottery	325	-	325		285	-	285
Other	63	-	63		54	-	54
Grants Payable	30	-	30		326	-	326
Total	1,056	603	1,659		1,321	405	1,726

8. Auditors' Remuneration

The Auditors' remuneration was £6,950 excluding VAT and relates directly to work undertaken on the external audit of the Annual Report and Accounts. 2021/22 auditors' remuneration was £5,000 excluding VAT.

Trustee's Annual Report for Frimley Health Charity
for the year ended 31 March 2023

9. Analysis of Current Assets

Analysis of current assets		
	31 March 2023	31 March 2022
	£000	£000
Debtors due within one year		
Other debtors	13	3
Accrued Income	798	390
Prepayments	6	-
Total	817	393
	31 March 2023	31 March 2022
	£000	£000
Investments		
COIF Deposit Account	766	750
Santander Deposit Account	784	768
Investec	1,009	-
Total	2,559	1,518
	31 March 2023	31 March 2022
	£000	£000
Cash at Bank and In Hand		
Lloyds Bank Current Account	2,062	3,045
Total	2,062	3,045

10. Analysis of Liabilities

Analysis of liabilities		
	31 March 2023	31 March 2022
	£000	£000
Creditors: Amounts falling due within one year		
Other Creditors	102	48
Accruals	143	73
Total	245	121

Trustee's Annual Report for Frimley Health Charity
for the year ended 31 March 2023

11. Analysis of Charitable Funds

	Balance 1 April 2022 £000	Income £000	Expenditure £000	Balance 31 March 2023 £000
Restricted Umbrella Funds:				
Nhs Charities Together	18	-	(18)	-
Nhs Charities Together Ics	66	-	(66)	-
Fleet Hospital Legacy	397	7	(38)	366
Verona Legacy Fund (R)	216	2	(15)	203
Dementia Care	8	-	(1)	7
Ophthalmic Surgery (R)	26	13	(39)	-
Holgate Legacy (R)	675	5	(46)	634
Ophthalmology Research (R)	2	-	-	2
Total	1,408	27	(223)	1,212
Unrestricted Umbrella Funds	3,427	2,155	(1,601)	3,981
Total	3,427	2,155	(1,601)	3,981
TOTAL	4,835	2,182	(1,824)	5,193
	Balance 1 April 2021 £000	Income £000	Expenditure £000	Balance 31 March 2022 £000
Restricted Umbrella Funds:				
Nhs Charities Together	221	0	(203)	18
Nhs Charities Together Ics	324	43	(301)	66
Fleet Hospital Legacy	375	91	(69)	397
Verona Legacy Fund (R)	229	0	(13)	216
Dementia Care	9	0	(1)	8
Ophthalmic Surgery (R)	10	19	(3)	26
Holgate Legacy (R)	713	1	(39)	675
Ophthalmology Research (R)	2	0	0	2
Total	1,883	154	(629)	1,408
Unrestricted Umbrella Funds	3,552	1,074	(1,199)	3,427
Total	3,552	1,074	(1,199)	3,427
TOTAL	5,435	1,228	(1,828)	4,835

12. Events after the end of the reporting period

No post balance sheet events have taken place past the end of the reporting period that require adjustment.

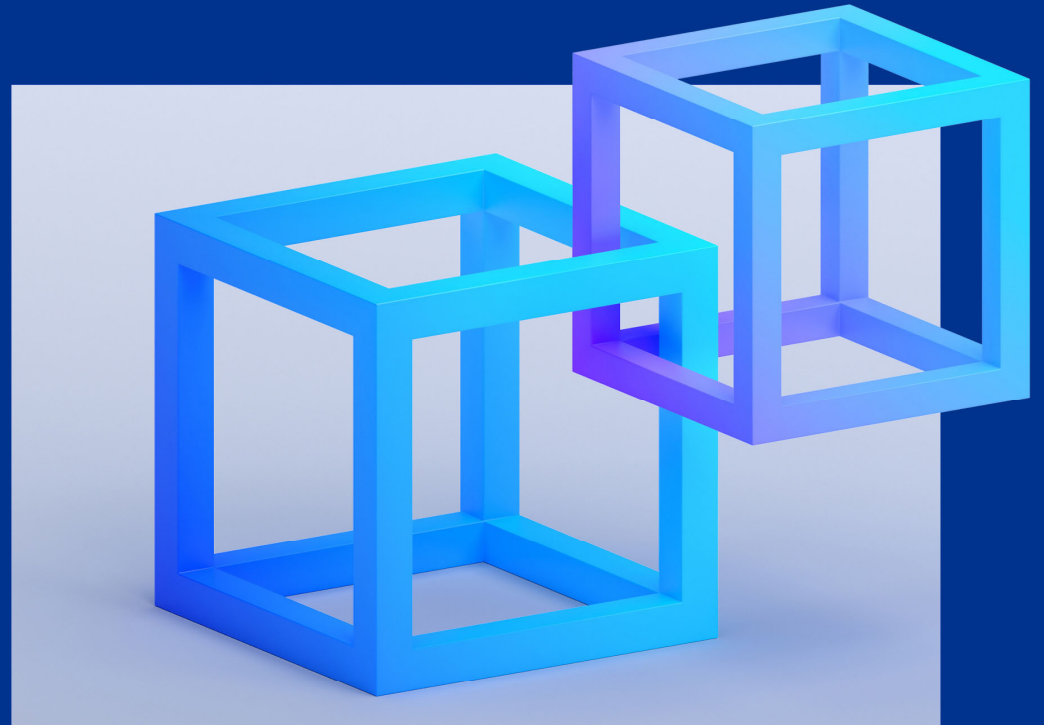


Frimley Health Charity

Report to the Charitable Fund Committee

Financial statements for the year ended 31st March 2023

14 December 2023



Introduction

To the Charitable Fund Committee

We are pleased to present our report . This report details the results of our audit of the financial statements of Frimley Health Charity (the ‘Charity’), as at and for the year ended 31 March 2023.

We are providing this report in advance of our meeting to enable you to consider our findings and hence enhance aid the quality of your discussions. We will be pleased to elaborate on the matters covered in this report ahead of your meeting.

The engagement team

Our audit is substantially complete. There have been no significant changes to our audit plan and strategy.

We expect to issue an unmodified Auditor’s Report.

We draw your attention to the important notice on page 3 of this report, which explains:

- The purpose of this report
- Limitations on work performed
- Restrictions on distribution of this report

Yours sincerely,



Jessica Hargreaves

14 December 2023

How we deliver audit quality

Audit quality is at the core of everything we do at KPMG and we believe that it is not just about reaching the right opinion, but how we reach that opinion.

We consider risks to the quality of our audit in our engagement risk assessment and planning discussions.

We define ‘audit quality’ as being the outcome when audits are:

- Executed consistently, in line with the requirements and intent of applicable professional standards within a strong system of quality controls and
- All of our related activities are undertaken in an environment of the utmost level of objectivity, independence, ethics and integrity.

Contents	Page
Important notice	3
Our audit findings	4
Audit risks	5
Uncorrected and Corrected Audit Misstatements	6
Appendix	9

Important notice



This report is presented under the terms of our audit engagement letter.

Circulation of this report is restricted.

The content of this report is based solely on the procedures necessary for our audit.

Purpose of this report

This Report has been prepared in connection with our audit of the financial statements of Frimley Health Charity (the 'Charity'), prepared in accordance with the "Accounting and Reporting by Charities: Statement of Recommended Practice (FRS 102)" as at and for the year ended 31 March 2023.

This Report has been prepared for the Charity's Charitable Fund Committee, a sub-group of those charged with governance, in order to communicate matters that are significant to the responsibility of those charged with oversight of the financial reporting process as required by ISAs (UK), and other matters coming to our attention during our audit work that we consider might be of interest, and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone (beyond that which we may have as auditors) for this Report, or for the opinions we have formed in respect of this Report.

This report summarises the key issues identified during our audit.

Limitations on work performed

This Report is separate from our audit report and does not provide an additional opinion on the Charity's financial statements, nor does it add to or extend or alter our duties and responsibilities as auditors reporting to the Charity's Trustee in accordance with the Charities Act.

We have not designed or performed procedures outside those required of us as auditors for the purpose of identifying or communicating any of the matters covered by this Report.

The matters reported are based on the knowledge gained as a result of being your auditors. We have not verified the accuracy or completeness of any such information other than in connection with and to the extent required for the purposes of our audit.

Status of our audit

Our audit is now substantially complete.

Restrictions on distribution

The report is provided on the basis that it is only for the information of the Charitable Fund Committee of the Charity; that it will not be quoted or referred to, in whole or in part, without our prior written consent; and that we accept no responsibility to any third party in relation to it.



Our audit findings

Significant audit risks		Page 5
Significant audit risks	Risk change	Our findings
Management override of Controls	Stable	We did not identify any instances of management override of controls.

Number of Control deficiencies		Page 6
Understatement/ (overstatement)		
Significant control deficiencies		0
Other control deficiencies		0
Prior year control deficiencies remediated		0

Outstanding matters

Our audit is now complete

Corrected Audit Misstatements		Page 7
Understatement/ (overstatement)	£'000	%
Surplus	(4)	1.1
Net Assets	(3)	0.1

Audit risks



Management override of controls^(a)

Fraud risk related to unpredictable way management override of controls may occur



Significant audit risk

- Professional standards require us to communicate the fraud risk from management override of controls as significant.
- Management is in a unique position to perpetrate fraud because of their ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively.
- We have not identified any specific additional risks of management override relating to this audit.



Our response

- Our audit methodology incorporates the risk of management override as a default significant risk.
- Evaluated the selection and application of accounting policies. No issues were noted.
- In line with our methodology, evaluated the design and implementation of controls over journal entries and post closing adjustments. No issues were noted.
- Made inquiries of individuals involved in the financial reporting process about inappropriate or unusual activity relating to the processing of journal entries and other adjustments.
- Analysed all journals through the year and focussed our testing on those with a higher risk, such as journals impacting cash, expenditure or income recognition. We identified nine journal entries meeting our high-risk criteria. No issues were noted.
- We did not identify any significant unusual transactions.
- We assessed the controls in place for the identification of related party relationships and tested the completeness of the related parties identified. No issues noted.

Note: (a) Significant risk that professional standards require us to assess in all cases.

Uncorrected and Corrected audit misstatements

Under UK auditing standards (ISA (UK&I) 260) we are required to provide the Audit Committee with a summary of unadjusted audit differences (including disclosure misstatements) identified during the course of our audit, other than those which are 'clearly trivial', which are not reflected in the financial statements. There are no unadjusted audit differences to report.

Under UK auditing standards (ISA (UK&I) 260) we are required to provide the Audit Committee with a summary of adjusted audit differences (including disclosure misstatements) identified during the course of our audit, other than those which are 'clearly trivial', which are not reflected in the financial statements. There are seven adjusted audit differences to report.

Corrected Audit Misstatements	SOFA	Balance Sheet	Comments
Understatement/ (overstatement)	£	£	
Dr Investments A/C		1,424	Interest earned on investment balances held with Santander for the period 01 June to 31 July 2022 had been omitted.
Cr Income from Investments A/C	(1,424)		
Corrected Audit Misstatements	SOFA	Balance Sheet	Comments
Understatement/ (overstatement)	£	£	
Dr Investments A/C		2,210	Interest earned on investments held with COIF for the period 01 March to 31 March 2023 had been omitted.
Cr Income from Investments A/C	(2,210)		
Corrected Audit Misstatements	SOFA	Balance Sheet	Comments
Understatement/ (overstatement)	£	£	
Dr Expenditure on Charitable Activities A/C	25,062		An invoice from Belmont Medical treatment was received post year end. The invoice related to goods/services incurred in the year to 31 March 2023. The invoice was omitted from the yearend accruals balance.
Cr Creditors (Accruals) A/C		(25,062)	

Uncorrected and Corrected audit misstatements

Corrected Audit Misstatements	SOFA	Balance Sheet	Comments
Understatement/ (overstatement)	£	£	
Dr Income (Legacies) A/C	(35,914)		Income was incorrectly classified as Legacy income rather than donations income.
Cr Income (Donation) A/C	35,914		

Corrected Audit Misstatements	SOFA	Balance Sheet	Comments
Understatement/ (overstatement)	£	£	
Dr Debtors A/C		10,000	Legacy income was omitted. As there was certainty as to the receipt of the income prior to 31 March 2023, the balance should have been accrued for.
Cr Income (Legacies) A/C	(10,000)		

Corrected Audit Misstatements	SOFA	Balance Sheet	Comments
Understatement/ (overstatement)	£	£	
Dr Trade Payables A/C		7,700	Expenditure relating to goods/services provided after the 31 March 2023 had been incorrectly recognised as expenditure..
Cr Expenditure on Raising Funds A/C	(7,700)		

Corrected Audit Misstatements	SOFA	Balance Sheet	Comments
Understatement/ (overstatement)	£	£	
Dr Cash at bank and in hand A/C	3,525		Cash and Cash equivalents were incorrectly classified as Debtors.
Cr Debtors A/C	(3,525)		

Uncorrected and Corrected audit misstatements

Corrected Audit Misstatements	SOFA	Balance Sheet	Comments
Understatement/ (overstatement)	£	£	
Dr Income (Legacies) A/C	(10,000)		The Charity accrued for £250k of legacy income, this accrual was made on the best possible information available at the year end date. During the course of our audit we identified the Charity had received £240k of income in relation to this accrual. No further cash receipts are expected regarding this accrual. Therefore the accrual is overstated and should be adjusted to reflect the revised information available ahead of completion of the audit.
Cr Debtors A/C		(10,000)	

Corrected Audit Misstatements	SOFA	Balance Sheet	Comments
Understatement/ (overstatement)	£	£	
Dr Debtors A/C		10,000	The Charity accrued for £52.5k of legacy income, this accrual was made on the best possible information available at the year end date. During the course of our audit we identified the Charity had received £62.5k of income in relation to this accrual. No further cash receipts are expected regarding this accrual. Therefore the accrual is understated by £10k. The accrual should be adjusted to reflect the revised information available ahead of completion of the audit.
Cr Income (Legacies) A/C	(10,000)		

Disclosure errors

Nothing noted, except a rounding off error in the audit fees- which has been updated.



Appendix A

Contents

	Page		Page
FRC's Areas of Focus	10	KPMG's Audit quality framework	15
Required Communications with the Audit Committee	13	KPMG's quality interventions	16
Confirmation of independence	14		

FRC's areas of focus

The FRC released their [Annual Review of Corporate Reporting 2021/22](#) in October 2022, along with a [summary of key matters](#) for the coming year, primarily targeted at CEOs, CFOs and Audit Committee chairs. In addition, they have released six thematic reviews during the year which should be considered when preparing reporting for the current financial period.

The reports identify where the FRC believes companies should be improving their reporting. Below is a high level summary of the key topics. We encourage management and those charged with governance to read further on those areas which are significant to the entity.

Reporting in uncertain times

This year's Annual Review of Corporate Reporting from the FRC has been prepared in the context of heightened economic and geopolitical uncertainty. The challenges of the Covid-19 pandemic, Russia's invasion of Ukraine and slowing of global economies has led to inflationary pressure worldwide and rising interest rates.

This makes meaningful disclosure more important than ever, and the FRC has stressed the need for companies to move beyond simply complying with the minimum requirements of the relevant accounting and reporting frameworks. They expect companies to provide high-quality, decision-useful information for investors, with companies continually assessing evolving risks and ensuring these are clearly explained in annual reports.

The potential effects of uncertainty on recognition, measurement and disclosure are numerous, and companies will need to think carefully about the impacts of uncertainty, in particular inflation, on their reporting. The Annual Review gives a number of examples including:

Strategic report: the impact of inflation on the business model, changes to principal risks and uncertainties, and the impact of inflation on stakeholders.

Discount rates: inputs need to follow a consistent approach in incorporating the effects of inflation.

Material assumptions: where inflation assumptions represent a source of significant estimation uncertainty, the FRC expects companies to provide explanation of how these have been calculated and sensitivity disclosures if appropriate.

Pension schemes: explain the effect of uncertainty on investment strategy and associated risks.

Climate-related reporting

Climate-related reporting has advanced significantly this year as premium listed entities are required by the Listing Rules to provide disclosures consistent with the Taskforce on Climate-Related Disclosures (TCFD) recommendations. This follows the expansion of the Streamlined Energy and Carbon Reporting (SECR) rules last year, which require quoted companies and large unquoted companies and LLPs to provide emissions reporting.

Climate has therefore been an area of ongoing focus for the FRC, with a thematic reviews in both 2021 and 2022 on aspects of climate reporting. From reviews of TCFD disclosures in the year, the FRC has highlighted five areas of improvement for companies to consider going forwards:

Granularity and specificity: disclosures should be granular and specific both to the company and the individual disclosure requirement, including a clear link to financial planning.

Balance: discussion of climate-related risks and opportunities should be balanced, and companies should consider any technological dependencies.

Interlinkage with other narrative disclosures: companies should ensure clear links between TCFD disclosures with other narrative disclosures in the annual report.

Materiality: companies should clearly articulate how they have considered materiality in the context of their TCFD disclosures.

Connectivity between TCFD and financial statements disclosures: the FRC may challenge those that disclose significant climate risks or net zero transition plans in narrative reporting, but do not explain how this is taken into account in the financial statements.

FRC's areas of focus (cont.)

Cash flow statements

This continues to be a particular area of concern as it is a recurring source of errors identified by the FRC, with 15 companies restating their cash flow statements in the review period as a result of the FRC's enquiries.

Companies are encouraged to consider the guidance in the 2020 thematic review on this topic, and to ensure that robust pre-issuance reviews of the financial statements have been undertaken.

Cash flows must be classified as operating, investing or reporting in line with the requirements of the standard, and amounts reported should be consistent with disclosures elsewhere in the report and accounts including the elimination of non-cash transactions.

Several errors identified by the FRC related to the parent company cash flow statement, and it should be ensured that this statement also complies with the requirements of the standard.

Financial Instruments

Companies should ensure that disclosure is sufficient to enable users to evaluate the nature and extent of risks arising from financial instruments and the approach taken to risk management.

These disclosures should include the approach and assumptions used in the measurement of expected credit losses, and details of concentrations of risk. In times of economic uncertainty, disclosure of methods used to measure exposure to risks, and details of hedging arrangements put in place for interest rates or inflation are all the more important.

In addition, accounting policies should be provided for all material financing and hedging arrangements and any changes in these arrangements. Where companies have banking covenants, information about these should be provided (unless the likelihood of a breach is considered remote).

Income taxes

Where material deferred tax assets are recognised by historically loss-making entities, disclosures should explain the nature of the evidence supporting their recognition. In addition, any connected significant accounting judgements or sources of estimation uncertainty will also need to be disclosed.

On tax more generally, the FRC expects companies to ensure that tax-related disclosures are consistent throughout the annual report and accounts, and material reconciling items in the effective tax rate reconciliation are adequately explained.

For groups operating in several jurisdictions, effective tax reconciliations may be more meaningful if they aggregate reconciliations prepared using the domestic rate in each individual jurisdiction, with a weighted average tax rate applied to accounting profit.

Strategic report and other Companies Act 2006 matters

The strategic report needs to articulate the effects of economic and other risks facing companies, including inflation, rising interest rates, supply chain issues and labour relations. Mitigation strategies should be explained, with links, where relevant, to information disclosed elsewhere in the annual report.

Business reviews should discuss significant movements in the balance sheet and cash flow statement, and should not be limited to just an explanation of financial performance in the period.

The FRC has also identified instances of companies not complying with legal requirements around distributions, and companies are reminded of the need to file interim accounts to support distributions in excess of the distributable profits shown in the relevant accounts.

Revenue

Accounting policies should be provided for all significant performance obligations and should address the timing of revenue recognition, the basis for over-time recognition, and the methodology applied.

Inflationary features in contracts with customers and suppliers and the accounting for such clauses are under increased focus this year.

Alternative performance measures ('APMs')

APMs should not be presented with more prominence, emphasis or authority than measures stemming directly from the financial statements, and should be reconciled to the relevant financial statements line item.

FRC's areas of focus (cont.)

Provisions and contingencies

Companies should give clear and specific descriptions of the nature and uncertainties for material provisions or contingent liabilities, the expected timeframe and the basis for estimating the probable or possible outflow.

Inputs used in measuring provisions should be consistent in the approach to incorporating the effects of inflation, and details of related assumptions should be provided if material.

Presentation of financial statements and related disclosures

Material accounting policy information should be clearly disclosed, and additional company-specific disclosures should be provided when compliance with IFRS requirements is insufficient to adequately explain transactions.

Judgements and estimates

Economic uncertainty increases the likelihood of companies needing to make significant judgements when preparing financial statements. The FRC highlights two specific examples – going concern assessments and accounting for inflationary features in contracts – where disclosure is key.

More generally, the FRC highlights the need for disclosures to clearly distinguish between estimates with a significant risk of a material adjustment to the carrying amounts of assets/liabilities within the next year, and other sources of estimation uncertainty.

Significant estimates, and the associated disclosures should be updated at the balance sheet date. Sensitivity disclosures should be meaningful for readers, for example by sensitising the most relevant assumptions, and explaining any changes in assumption since the previous year.

Impairment of assets

Economic uncertainty may have a significant impact on impairment assessments, and this is an area where queries raised from the FRC could have been avoided by clearer disclosure.

Companies need to explain the sensitivity of recoverable amounts to changes in assumptions, especially where the range of possible outcomes has widened. This should include explanation of the effect of economic assumptions, such as reduction in customer demand and increased cost.

Inflation should be treated consistently in value in use calculations. Nominal cash flows are discounted at a nominal rate, and real cash flows are discounted at a real rate.

Lastly, the FRC stresses the importance of consistency between impairment reviews/disclosures and other disclosures in the annual report.

Thematic reviews

The FRC has released six thematic reviews on corporate reporting in the current year, and companies are encouraged to consider the guidance in those reviews, where relevant, to enhance their financial reporting. The topics covered this year are:

- [TCFD disclosures and climate in the financial statements](#)
- [Judgements and estimates](#)
- [IFRS 3 Business Combinations](#)
- [Discount rates](#)
- [Deferred Tax Assets \(IAS 12\)](#)
- [Earnings per Share \(IAS 33\)](#)

2022/23 review priorities

The FRC has indicated that its 2022/23 reviews will focus on the extent to which companies' disclosures address risks and uncertainty in the challenging economic environment, including those relating to climate change. Companies need to clearly articulate the impact of these risks on their strategy, business model and viability. In particular, the FRC intends to prioritise reviews of companies operating in the following sectors:

 Travel, hospitality and leisure








 Retail

 Construction materials

 Gas, water and multi-utilities

Required communications with the Audit Committee

Type		Response
Our draft management representation letter		We have not requested any specific representations in addition to those areas normally covered by our standard representation letter for the year ended 31 March 2023.
Adjusted audit differences		There were nine adjusted audit differences. See page 7
Unadjusted audit differences		No unadjusted differences were noted and there is no aggregate impact of unadjusted differences. See page 7
Related parties		There were no significant matters that arose during the audit in connection with the entity's related parties.
Other matters warranting attention by the Audit Committee		There were no matters to report arising from the audit that, in our professional judgment, are significant to the oversight of the financial reporting process.
Control deficiencies		We communicated to management in writing all deficiencies in internal control over financial reporting of a lesser magnitude than significant deficiencies identified during the audit that had not previously been communicated in writing.
Actual or suspected fraud, noncompliance with laws or regulations or illegal acts		No actual or suspected fraud involving management, employees with significant roles in internal control, or where fraud results in a material misstatement in the financial statements identified during the audit.

Type		Response
Significant difficulties		No significant difficulties were encountered during the audit.
Modifications to auditor's report		None.
Disagreements with management or scope limitations		The engagement team had no disagreements with management and no scope limitations were imposed by management during the audit.
Other information		No material inconsistencies were identified related to other information in the annual report and Trustee's reports.
Breaches of independence		No matters to report. The engagement team have complied with relevant ethical requirements regarding independence.
Accounting practices		Over the course of our audit, we have evaluated the appropriateness of the Charity's accounting policies, accounting estimates and financial statement disclosures. In general, we believe these are appropriate.
Significant matters discussed or subject to correspondence with management		No significant matters have arisen from our audit work.

Confirmation of Independence

We confirm that, in our professional judgement, KPMG LLP is independent within the meaning of regulatory and professional requirements and that the objectivity of the Director and audit staff is not impaired.

To the Charitable Fund Committee members

Assessment of our objectivity and independence as auditor of Frimley Health Charity (the 'Charity').

Professional ethical standards require us to provide to you at the planning stage of the audit a written disclosure of relationships (including the provision of non-audit services) that bear on KPMG LLP's objectivity and independence, the threats to KPMG LLP's independence that these create, any safeguards that have been put in place and why they address such threats, together with any other information necessary to enable KPMG LLP's objectivity and independence to be assessed.

This letter is intended to comply with this requirement and facilitate a subsequent discussion with you on audit independence and addresses:

- General procedures to safeguard independence and objectivity;
- Independence and objectivity considerations relating to the provision of non-audit services; and
- Independence and objectivity considerations relating to other matters.

General procedures to safeguard independence and objectivity

KPMG LLP is committed to being and being seen to be independent. As part of our ethics and independence policies, all KPMG LLP directors and staff annually confirm their compliance with our ethics and independence policies and procedures including in particular that they have no prohibited shareholdings. Our ethics and independence policies and procedures are fully consistent with the requirements of the FRC Ethical Standard.

As a result we have underlying safeguards in place to maintain independence through:

- Instilling professional values
- Communications
 - Internal accountability
 - Risk management
 - Independent reviews.

We are satisfied that our general procedures support our independence and objectivity.

Independence and objectivity considerations relating to the provision of non-audit services.

We have considered the fees charged by us to the Charity and its affiliates for professional services provided by us during the reporting period. Total fees charged by us can be analysed as follows:

	2023	2022
	£s	£s
Audit of Charity	6,950	5,000
Total audit	6,950	5,000
Other Assurance Services	-	-
Total non-audit services	-	-
Total Fees	6,950	5,000

Confirmation of audit independence

We confirm that as of the date of this letter, in our professional judgement, KPMG LLP is independent within the meaning of regulatory and professional requirements and the objectivity of the and audit staff is not impaired.

This report is intended solely for the information of the Charitable Fund Committee and should not be used for any other purposes.

We would be very happy to discuss the matters identified above (or any other matters relating to our objectivity and independence) should you wish to do so.

Yours faithfully

KPMG LLP



KPMG's Audit quality framework

Audit quality is at the core of everything we do at KPMG and we believe that it is not just about reaching the right opinion, but how we reach that opinion.

To ensure that every partner and employee concentrates on the fundamental skills and behaviours required to deliver an appropriate and independent opinion, we have developed our global Audit Quality Framework.

Responsibility for quality starts at the top through our governance structures as the UK Board is supported by the Audit Oversight Committee, and accountability is reinforced through the complete chain of command in all our teams.

■ Commitment to continuous improvement

- Comprehensive effective monitoring processes
- Significant investment in technology to achieve consistency and enhance audits
- Obtain feedback from key stakeholders
- Evaluate and appropriately respond to feedback and findings

■ Performance of effective & efficient audits

- Professional judgement and scepticism
- Direction, supervision and review
- Ongoing mentoring and on the job coaching, including the second line of defence model
- Critical assessment of audit evidence
- Appropriately supported and documented conclusions
- Insightful, open and honest two way communications

■ Commitment to technical excellence & quality service delivery

- Technical training and support
- Accreditation and licensing
- Access to specialist networks
- Consultation processes
- Business understanding and industry knowledge
- Capacity to deliver valued insights



■ Association with the right entities

- Select clients within risk tolerance
- Manage audit responses to risk
- Robust client and engagement acceptance and continuance processes
- Client portfolio management

■ Clear standards & robust audit tools

- KPMG Audit and Risk Management Manuals
- Audit technology tools, templates and guidance
- KPMG Clara incorporating monitoring capabilities at engagement level
- Independence policies

■ Recruitment, development & assignment of appropriately qualified personnel

- Recruitment, promotion, retention
- Development of core competencies, skills and personal qualities
- Recognition and reward for quality work
- Capacity and resource management
- Assignment of team members employed KPMG specialists and specific team members

KPMG's quality interventions

The audit team is responsible for the quality of the audit opinion and the audit file. However, increasingly KPMG audit teams are supported by 'quality interventions', as part of our overall Audit Quality Transformation Programme

This page summarises the key interventions in the FY21 audit cycle to support audit teams through the audit cycle – planning, fieldwork and completion. They provide assistance and independent challenge to ensure that the audit team follow our audit methodology; consider emerging regulatory trends; and judgments and estimates are reasonable and evidenced. This page shows the positive influence they have on the overall quality of work performed.

The influence of KPMG's lines of defence in the audit

Review & challenge	Second Line of Defence	EQCR	Audit Risk Panels	Pre-issuance reviews	Going Concern triage
Role	Provide coaching and support to the audit team over the risk assessment, planned audit approach and how audit work is performed and reporting. In-flight reviews of the audit file during each phase of the audit cycle.	An independent audit partner reviews and challenges key audit areas and assesses how these are reflected in the Annual Report, our AC report and LFAR.	The audit risk panel, that is chaired by a member of the Audit Quality leadership team and includes an independent audit field partner and 2LD, challenges the RI and the audit team on the audit strategy and then on the audit conclusions.	Review of the Annual Report by our accounting and reporting specialists, focusing on current areas of regulatory challenge. Independent challenge on narrative included within LFAR.	Completed during the planning phase of the audit cycle, the triage team supports the audit team in identifying potential going concern matters well in advance of the year end audit to enable the audit team to formulate a robust challenge of management's going concern assessment.
FY Impact	The Second Line of Defence team highlighted points following the review of audit file documentation which were addressed by the audit team before the opinion was issued.	Reviewed significant risk areas, Audit Committee memo and Annual Report including LFAR. Involved in key decisions around significant risks.	The audit risk panel challenged our assessment of X and Y and made suggestions for the wording in the KAMs and the Audit Committee report	The review of the Annual Report resulted in points which were dealt with by a combination of the audit team and management. The most significant of these points were highlighted as disclosure differences reported to the Audit Committee at year-end.	Early identification of potential going concern matters and a more robust challenge to management of the key assumptions and inputs in the cash flow forecasts.



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