

Company registration number: 03053290
Charity registration number: 1046559

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Boots Benevolent Fund
Annual report and financial statements
for the year ended 31 August 2022

Boots Benevolent Fund

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Boots Benevolent Fund

Strategic report

for the year ended 31 August 2022

The Trustees, in preparing this Strategic report, have complied with s414c of the Companies Act 2006.

In accordance with Section 60 of the Companies Act 2006, the Boots Benevolent Fund ("the Fund") is exempt from the requirements of that Act to include "Limited" as part of its name.

The Trustees are also the directors of the Fund for the purposes of the Companies Act 2006. Throughout the financial statements, they will be referred to as Trustees.

Principal activities

The principal activity of the Fund is that of a charity. It provides financial assistance through the giving of grants (in the form of cash or supermarket vouchers) and interest free loans to relieve financial hardship to qualifying employees, former employees and their dependents.

Objectives and activities for the public benefit

The objectives of the Fund are to relieve poverty amongst and provide assistance to employees and their dependents or immediate relatives of qualifying Boots companies within Walgreens Boots Alliance, Inc. or persons or their dependents or immediate relatives who have at any time been employed by qualifying "Boots" companies.

Public benefit

The Trustees have complied with their duty in section 4 and 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission. The Trustees consider that the charitable purpose of the Boots Benevolent Fund is the prevention or relief of poverty. This purpose is pursued through the provision of grants, supermarket vouchers and interest free loans to the benefit of the public.

In the context of the Fund, the public is understood to include employees and their dependents or immediate relatives, or persons or their dependents or immediate relatives who have at any time been employed by qualifying "Boots" companies.

Business review, achievements and performance

During the year, the Trustees made awards in line with the Fund's Giving Criteria and accordingly supported employees, former employees, their dependants or immediate relatives with grants, supermarket vouchers and interest free loans, as well as complementary hampers containing Boots products.

Decisions to award grants, supermarket vouchers and interest free loans of up to £1,500 are made by the Fund Manager. Grants in excess of £1,500 are considered by the Grants Committee and require the approval of two Trustees.

During the year, the Fund awarded the following to individuals:

- 221 (2021: 155) grants and supermarket vouchers amounting to £182,243 (2021: £125,909); and
- 10 (2021: 7) miscellaneous interest free loans amounting to £7,884 (2021: £6,864).

Income in the year was mainly from donations and this, along with other fundraising activities, generated income of £423,373 in the year (2021: £380,050).

Employees of Boots were encouraged to sign up for payroll giving, which raised £41,358 in the year (2021: £43,843). This is included within income from donations.

Principal risks and uncertainties

The Trustees have reviewed the strategic, operational and business risks which the Fund faces and have confirmed that there are sufficient controls to mitigate the significant risks. Periodic ongoing reviews of the Fund's risks and controls take place to ensure risks will be sufficiently controlled.

The Trustees consider that the principal risks and uncertainties that face the Boots Benevolent Fund during the year included:

Macroeconomic and political environment, including cost of living crisis

Risk

The impact of the current global cost pressures, as economies reopened after COVID-19 restrictions, has resulted in high inflation rates in the United Kingdom and globally. This has been exacerbated by the conflict that broke out between Russia and Ukraine on 24 February 2022. These factors have contributed to a cost of living crisis within the United Kingdom which could see an increase in applications to the Fund for grants, supermarket vouchers and interest free loans, as well as affecting returns from investments. An impact may also be seen on the Fund's ability to meet their fundraising targets.

Mitigation

The cost of living crisis has not caused a significant impact on the Fund to date. The Trustees continue to monitor the situation and have adjusted the financial projections and forecasts for the year to 31 August 2023 as appropriate.

Insufficient funds

Risk

Insufficient funds are received to enable the Fund to achieve its stated objectives.

Mitigation

The Fund is reliant on income from investments, donations and fundraising activity. The Trustees meet regularly to discuss fundraising plans and opportunities to raise awareness of the Fund. The investments are reviewed on an annual basis with the CCLA investment manager.

Boots Benevolent Fund
Strategic report (continued)

for the year ended 31 August 2022

Principal risks and uncertainties (continued)

Out of policy commitments

Risk

Commitments are made which do not fall within the stated aims of the Fund.

Mitigation

The Fund operates a rigorous process in reviewing grant applications ensuring the Fund's Giving Criteria is met prior to issuing the grant, supermarket voucher or interest free loan.

Insufficient awareness

Risk

Insufficient awareness of the Fund does not allow it to reach eligible persons and therefore prevents it achieving its stated objectives.

Mitigation

The Fund undertakes significant work to ensure that all employees are made aware of the Fund through fundraising and awareness raising activities during the year providing guidance on what the Fund does, how to donate and how to access in order to ensure that the Fund continues to meet its stated objectives.

Incorrect books and records

Risk

The books and records of the Fund are not properly maintained.

Mitigation

The books and records are maintained by a fully qualified member of a professional accounting body and are reviewed regularly.

The Strategic report was approved by the Board and signed on its behalf by:



A Thompson
Company Secretary

5 December 2022

Boots Benevolent Fund

Trustees' report

for the year ended 31 August 2022

The Trustees present their Annual report and the audited financial statements for the year ended 31 August 2022.

The Trustees confirm that the Trustees' Report and the financial statements comply with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Professional advisers

Auditor	Deloitte LLP, Statutory Auditor, 4 Brindley Place, Birmingham, B1 2HZ United Kingdom
Bankers	National Westminster Bank, 1 City Square, Leeds, LS1 2AL
Investment managers	CCLA, Investment Management Limited, Senator House, 1 Angel Lane, London, EC4R 3AB
Registered office & principal office	1 Thane Road West, Nottingham, NG2 3AA
Company registration number	03053290
Charity registration number	1046559

Structure, governance and management

The Fund is a limited company without share capital, limited by guarantee and registered in England and Wales. The liability of a member in the event of the Fund being wound up whilst a member, or within one year of ceasing to be a member, is not to exceed £1. It is registered with the Charity Commission and must comply with the Companies Act 2006 and Charities Act 2011.

The Fund is governed by its Memorandum and Articles of Association which provides for a minimum of 3 Trustees to a maximum of 20 Trustees.

The Chair of Trustees together with the Company Secretary is responsible for the induction of any new Trustees. Trustee induction involves raising awareness of Trustees to their duties and responsibilities under both the Charities Act 2011 and the Companies Act 2006 and emerging regulatory issues as well as an introduction to the governing documents of the Fund and the internal policies adopted. New Trustees receive an Induction Pack in which copies of the following are included:

1. the Fund's latest Annual report and accounts;
2. the Fund's internal governing documents;
3. the Fund's Memorandum and Articles of Association; and
4. the Charity Commission publications 'The Essential Trustee: What You Need to Know; What You Need to Do' and 'The Charity Governance Code.'

Trustees are encouraged to review the latest developments in charity legislation and regulation on the Charity Commission website to maintain their understanding of the role and ensure their effective performance.

Trustees are appointed following recommendation by the Trustees and the consent of the individual proposed. The individual shall then hold office until the next Annual General Meeting where they may be re-appointed. In accordance with the Articles of Association, at each general meeting after the first, one third of the Trustees who are subject to retirement by rotation, shall retire from office and may offer themselves for re-election.

The Trustees recognise that in recent reviews of charity law, the Charity Commission has stopped short of specifying a maximum length of Trustee tenure on the basis that all charities are different. However, in more general terms, it suggests that Trustees should not exceed three, three-year appointments in post. The current Chair of the Fund, Alan Penhale was appointed a Trustee on 01/10/2013. Recognising that Mr Penhale has served for more than nine years and in accordance with the Charity Governance Code for Smaller Charities, the Board of Trustees confirms its willingness to propose Mr Penhale for re-election and continuation in office for a further year. Given the cost of living crisis and uncertainty within the UK economy, the Trustees consider it prudent to retain Mr Penhale who has extensive knowledge and experience of the Fund for the purpose of continuity. Equally, there have been a number of Trustee changes since 2019 which has resulted in a natural reinvigoration of the Board's composition and skill set.

The Trustees meet no less than four times a year to agree the broad strategy and areas of activity for the Fund, review financial performance including the management of the funds within an investment and reserves context, consider the efficacy of its internal policies, and review all applications approved under its delegated powers.

The Fund does not have any direct employees. On a day to day basis the Fund is managed by employees of Boots Management Services Limited. Fund Administrators are responsible for the initial assessment of applications against the Fund's Giving Criteria and eligible applications are passed to the Fund Manager and Trustees based on the Fund's grant award policy. In addition, the Fund Manager co-ordinates fundraising activities, promotes the Fund and supports with the provision of management information.

Boots Benevolent Fund

Trustees' report (continued)

for the year ended 31 August 2022

Going concern

The financial statements have been prepared on a going concern basis. In adopting the going concern basis, the Trustees have considered the business activities and principal risks and uncertainties as set out within the Strategic report.

The Fund generated net income of £158,600 (2021: £168,627). It has net current assets of £686,861 (2021: £528,261) and generated positive cash flows which are expected to continue for a minimum of 12 months from the date the financial statements are signed.

The Trustees continue to monitor and respond to the impact of the cost of living crisis on the Fund and all available actions have been taken to protect performance. Grants, supermarket vouchers and interest free loans are subject to approval and are only awarded from available funds; the level of grants, supermarket vouchers and interest free loans awarded can be reduced in line with any variability of income from donations.

Based on these facts, the Trustees have assessed that there is no material uncertainty surrounding the going concern of the Fund and therefore consider that it will be a going concern for at least 12 months from the date of approval of these financial statements.

Future developments

In the forthcoming year the Trustees will continue to increase the awareness and accessibility of the Fund. The Fund rebranded itself during the year to 31 August 2020. Whilst there has not been a large launch of the rebranding, the Fund will continue to raise funds through the financial year to 31 August 2023 via the marketing and sale of rebranded products.

Post balance sheet events

There have been no significant events since the balance sheet date which should be considered for a proper understanding of these financial statements.

Trustees

The following served as Trustees during the year and subsequently:

S Alimahomed

M Carr

A Francis

S Mody

A Penhale

E Vargas-Brock

A Veldtman

J Ward

L Krzeminski

(appointed 16 November 2022)

H Morgan

(appointed 16 November 2022)

K Pitcher

(resigned 21 December 2021)

Remuneration of Trustees

The Trustees received no remuneration for their services during the year (2021: £nil).

Relationships with related parties

Details of transactions with related parties are set out in note 14 to the financial statements.

Financial review

The Fund is dependent on funding from fundraising; including staff activities, cash found in Boots stores, donated services from Boots UK Limited and Boots Management Services Limited, give as you earn donations and interest on its investments.

This amounted to £450,486 during the year (2021: £408,969). There was a net loss on investment assets of £91,423 (2021: gain of £65,234). Overall the Fund reported a net gain of £67,177 (2021: £233,861). As a result, total funds have increased 4.3% to £1,611,759 from £1,544,582.

The Trustees are satisfied with the year's result, however they are aware that the ongoing cost of living crisis could have an adverse impact on the market value of investments and fundraising income and could lead to an increase in grant applications.

Reserves policy

It is the policy of the Fund to maintain unrestricted funds at a level sufficient to fulfil the likely on-going obligations of the Fund, given the anticipated future income and level of charitable donations. Contingency reserves should be available such that the current level of outgoings can be maintained even if fundraising should decline in any given year.

Shortfall/excess of reserves – In the event that the Fund is holding lower reserves than the policy states the Trustees will investigate options for fundraising. Communication and promotion of fundraising will also be increased. In the event that the Fund is holding higher reserves than the policy states the Trustees will consider options for increasing outgoings within the following year. These will include:

- a. increasing awareness of the Fund to increase the number of recipients; and
- b. reviewing the level and type of support given to recipients.

The Trustees have agreed that three times the level of annual expenditure would be a prudent level of reserves. This has been set as the Trustees have decided that this is a reasonable level to ensure that adequate funds are generated and available to cover future donations to charitable causes. Unrestricted funds at 31 August 2022 were £1,608,604 (2021: £1,541,427) which was 5.5 times (2021: 6.4 times) annual expenditure. The Reserves Policy will be reviewed and adjusted as necessary on an annual basis by the Trustees of the Fund, alongside forecasted fundraising and grants. The Trustees have agreed that awareness and outgoings are anticipated to increase to align the reserves with the policy above.

Boots Benevolent Fund

Trustees' report (continued)

for the year ended 31 August 2022

Investment policy

The Fund retains its cash reserves in investment funds managed by CCLA. The management of the Boots Benevolent Fund's funds has an objective to provide reasonable income and growth against inflation. The Trustees are satisfied with the performance of the investments. In accordance with the Trustees' duties of care and prudence, the funds are managed by an external specialist investment manager on the Trustees' behalf, through the COIF Charity Funds. The Fund portfolio is made up of assets that include overseas equities, UK equities, property/infrastructure, fixed interest and cash. The performance of the funds is monitored quarterly by the Trustees. The Fund made a net loss in the year of £91,423 (2021: gain of £65,234) due to a loss in the capital value of the funds.

References to Strategic report

Details of the following areas can be found in the Strategic report and form part of this report by cross-reference:

- Objectives and activities for the public benefit (including public benefit statement)
- Achievements and performance

Auditor

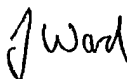
Pursuant to s487 of the Companies Act 2006, Deloitte LLP were deemed to be reappointed and will therefore continue in office.

Disclosure of information to auditor

The Trustees who held office at the date of approval of this Trustees' report confirm that, so far as they are each aware, there is no relevant audit information of which the Fund's auditor is unaware, and each Trustee has taken all the steps that they ought to have taken as a Trustee to make themselves aware of any relevant audit information and to establish that the Fund's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

The Trustees' report, including the Strategic report, were approved by the Board and signed on its behalf by:



J Ward
Trustee

5 December 2022

Registered office:
1 Thane Road
Nottingham
NG2 3AA

Registered in England and Wales No. 03053290
Charity Registration No. 1046559

Boots Benevolent Fund

Statement of Trustees' responsibilities

for the year ended 31 August 2022

The Trustees, who are also directors of Boots Benevolent Fund for the purposes of Company Law, are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard Applicable in the UK and Republic of Ireland".

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

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

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

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Boots Benevolent Fund

Independent auditor's report

to the members of Boots Benevolent Fund

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Boots Benevolent Fund (the 'charitable company'):

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of financial activities (incorporating the income and expenditure account);
- the reconciliation of funds;
- the balance sheet;
- the related notes 1 to 17.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Trustees

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Boots Benevolent Fund

Independent auditor's report (continued)

to the members of Boots Benevolent Fund

Extent to which the audit was considered capable of detecting irregularities, including fraud

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

We considered the nature of the charitable company's industry and its control environment, and reviewed the charitable company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the charitable company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act and UK Charities Act; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the charitable company's ability to operate or to avoid a material penalty. These included the Charity Commission for England and Wales (Charity Commission) regulations.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud or non-compliance with laws and regulations in the following area, and our specific procedures performed to address it are described below:

- We presume a risk of material misstatement due to fraud in revenue recognition which is related to the completeness of income. To address this risk, we reviewed the Trustees' meeting minutes, bank statements in the period, and post year end records; and tested a sample of income to supporting evidence, to test whether income had been appropriately included in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls; we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report, which includes the strategic report and the directors' report prepared for the purposes of company law for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report included within the Trustees' report.

Matters on which we are required to report by exception

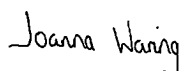
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

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

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the c



Joanna Waring FCA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Birmingham, United Kingdom

6 December 2022

Boots Benevolent Fund

Statement of financial activities (incorporating the Income and expenditure account)

for the year ended 31 August 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
Income from:					
Donations	3	423,373	—	423,373	380,050
Investments	4	27,113	—	27,113	28,919
Total Income		450,486	—	450,486	408,969
Expenditure on					
Charitable activities	5	(288,805)	—	(288,805)	(233,282)
Raising funds		(3,070)	—	(3,070)	(7,056)
Other		(11)	—	(11)	(4)
Total expenditure		(291,886)	—	(291,886)	(240,342)
Net Income before (losses)/gains on investments		158,600	—	158,600	168,627
Other recognised (losses)/gains					
Net unrealised (loss)/gain on investments	8	(91,423)	—	(91,423)	65,234
Net Income for the year		67,177	—	67,177	233,861
Net movements in funds		67,177	—	67,177	233,861

The net movement in funds arises from continuing operations and includes all gains and losses recognised in the year.

All income and expenditure in 2022 and 2021 was attributable to unrestricted funds.

The accompanying notes to the financial statements are an integral part of the Fund's financial statements.

Reconciliation of funds

At 31 August 2022

	2022 Restricted £	2022 Unrestricted £	2022 Total £	2021 Total £
Total funds brought forward	3,155	1,541,427	1,544,582	1,310,721
Net movement in funds for the year	—	67,177	67,177	233,861
Total funds carried forward	3,155	1,608,604	1,611,759	1,544,582

The accompanying notes to the financial statements are an integral part of the Fund's financial statements.

Boots Benevolent Fund

Balance sheet

as at 31 August 2022

	Notes	2022 £	2021 £
Assets			
Non-current assets			
Investments	8	924,898	1,016,321
		924,898	1,016,321
Current assets			
Debtors	9	131,974	208,547
Cash and bank balances	10	554,887	321,714
		686,861	528,261
Net current assets		686,861	528,261
Total assets less current liabilities		1,611,759	1,544,582
Net assets, being net current assets and being total assets less current liabilities		1,611,759	1,544,582
Funds			
Restricted income funds	11, 12	3,155	3,155
Unrestricted income funds	12	1,608,604	1,541,427
Total charity surplus		1,611,759	1,544,582

The accompanying notes to the financial statements are an integral part of the Fund's financial statements.

The financial statements of Boots Benevolent Fund (registered number 03053290, charity registration number 1046559) were approved by the Board of Trustees and authorised for issue on 5 December 2022. The financial statements were signed on its behalf by:



J Ward
Trustee

5 December 2022

Boots Benevolent Fund

Notes to the financial statements

for the year ended 31 August 2022

1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Fund's financial statements.

General information

The Fund is a public benefit entity, a registered charity and is incorporated in England and Wales as a company limited by guarantee not having share capital.

The address of the registered office is given on page 3.

The nature of the Fund's operations and its principal activities are set out in the Strategic report on page 1.

Basis of preparation

The financial statements are prepared under the historical cost convention, except for investments, in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities (SORP 2019)" applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), effective 1 January 2019; and the Companies Act 2006.

These financial statements are presented in British pounds sterling because that is the currency of the primary economic environment in which the Fund operates.

The Fund meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemption available to it in respect of its separate financial statements in relation to presentation of a cash flow statement

Going concern

The financial statements have been prepared on a going concern basis. In adopting the going concern basis, the Trustees have considered the business activities and principal risks and uncertainties as set out within the Strategic report.

The Fund generated net income of £158,600 (2021: £168,627). It has net current assets of £686,861 (2021: £528,261) and generated positive cash flows which is expected to continue for a minimum of 12 months from the date the financial statements are signed.

The Trustees continue to monitor and respond to the impact of the cost of living crisis on the Fund and all available actions have been taken to protect performance. Grants, supermarket vouchers and interest free loans are subject to approval and are only awarded from available funds; the level of grants, supermarket vouchers and interest free loans awarded can be reduced in line with any variability of income from donations.

Based on these facts, the Trustees have assessed that there is no material uncertainty surrounding the going concern of the Fund and therefore consider that it will be a going concern for at least 12 months from the date of approval of these financial statements.

Income

All income is recognised once the Fund has entitlement to the resources, it is probable that the income will be received and the monetary value can be measured with sufficient reliability. Such voluntary income is accounted for on the date when it becomes receivable, which is when the Fund is entitled to the resource. All income is generated in the United Kingdom.

Income from investments

Income from fixed interest securities is accounted for on the date when it becomes receivable. Other investment income is accounted for on an accruals basis. Interest is shown as gross amounts prior to any tax deduction, which is recoverable.

Donations

Such voluntary income is accounted for on the date when it becomes receivable. Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the year of receipt.

Concessionary loans

Concessionary loans are interest free and measured at the amount received or paid.

Financial Instruments

Financial assets and financial liabilities are recognised when the Fund becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a finance transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

The Fund only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Fund to expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Boots Benevolent Fund

Notes to the financial statements (continued)

for the year ended 31 August 2022

1. Accounting policies (continued)

Expenditure (continued)

Charitable activities

The Trustees consider that the Fund's activities are the awarding of grants to retired and serving employees experiencing financial hardship. This constitutes all expenditure besides costs of raising funds.

Costs of raising funds

These costs are incurred in relation to marketing.

Support and governance cost allocation

Support costs include contributions from Boots UK Limited and Boots Management Services Limited, which is an approximation, based on separately identifiable costs, in respect of managing and administering the Fund. They also include management costs directly incurred by the Fund. Governance costs comprise all costs involving its compliance with constitutional and statutory requirements. These costs include costs related to statutory audit. All support and governance costs are allocated to charitable activities and raising funds on the basis of time spent on the activities.

Grants funded activity

Grants funded activity is payments made to third parties in the furtherance of the charitable objectives of the Fund as stated in the Trustees' report.

Investments

Realised and unrealised gains and losses are included in the Statement of financial activities. Investments are stated at market value at the balance sheet date and are derived from investment assets in the United Kingdom.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Taxation

The Fund is a registered charity and has no liability for corporation tax on its charitable activities under the Corporation Tax Act 2010 (chapters 2 and 3 of part II, section 466 onwards) or Section 256 of the Taxation for Chargeable Gains Act 1992, to the extent surpluses are applied to its charitable purposes.

Fund accounting

The Fund has various funds for which it is responsible, which require separate disclosure. These are as follows:

Unrestricted funds

Funds which are expendable at the discretion of the Trustees in furtherance of the objects of the Fund and which have not been designated for other purposes.

Restricted income funds

Donations received which are earmarked by the donor for specific purposes within the overall aims of the Fund. The donation and income deriving from these funds will be used in accordance with the specific purposes. Further detail is given in note 11 of the financial statements.

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Fund's accounting policies, which are described in note 1, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The Trustees do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure.

3. Income from donations

An analysis of the Fund's revenue is as follows:

	2022	2021
	£	£
Donations from employees and others	363,386	310,901
Contribution from Boots UK Limited and Boots Management Services Limited (note 6)	59,987	69,149
	423,373	380,050

Income from donations relates primarily to fundraising and cash collections by employees in stores. The donations from employees and others includes £41,358 (2021: £43,843) from payroll giving.

Boots Benevolent Fund
Notes to the financial statements (continued)
for the year ended 31 August 2022

4. Investment income

	2022	2021
	£	£
Interest received from COIF Charities Investment Account	27,028	28,911
Bank Interest	85	8
	27,113	28,919

5. Expenditure on charitable activities

The Fund's expenditure on charitable activities in the 12 months to 31 August 2022 are represented by:

	Grants funded activity	Support/ Governance Costs	2022 Total
	£	£	£
Expenditure on charitable activities	182,243	106,562	288,805

The year to 31 August 2021 is represented by:

	Grants funded activity	Support/ Governance Costs	2021 Total
	£	£	£
Expenditure on charitable activities	125,909	107,373	233,282

6. Analysis of support costs and governance costs

Support and governance costs included within expenditure on charitable activities of £106,562 (2021: £107,373) relates to costs incurred directly by the Fund of £46,575 (2021: £38,224) and costs incurred by Boots UK limited and Boots Management Services Limited of £59,987 (2021: £69,149).

Included within donations is a contribution in kind from Boots UK Limited £59,987 (2021: £59,508), and a contribution in kind from Boots Management Services Limited £nil (2021: £9,641), based on separately identifiable costs in respect of managing and administering the Fund.

Costs in relation to the full time Fund Manager have been borne by the Boots Benevolent Fund. The total support costs directly incurred by the Fund for this service was £46,575 (2021: £41,377) which is included within expenditure on charitable activities.

The audit fee was borne by Boots UK Limited and is included as donated service within expenditure on charitable activities. The open market value is estimated at £5,000 (2021: £5,000). There are no fees payable to the Fund's auditor for non-audit services (2021: £nil). Governance costs of £5,000 (2021: £5,000) consists of the audit fee.

Trustees' remuneration and expenses

The Trustees, or any persons connected to them, have not received any remuneration or reimbursement of expenses from the Fund (2021: £nil).

7. Grants funded activity

	2022	2021
	£	£
Miscellaneous grants to retired and serving employees experiencing financial hardship	133,011	112,525
Fixed amount Christmas grants	—	—
Supermarket vouchers	49,232	13,384
	182,243	125,909

All grants are made to individuals or 3rd party companies in respect of the applicant's requirements. The Fund also grants interest free loans to applicants who are current Boots employees. During the year 10 loans were granted (2021: 7) amounting to £7,884 (2021: £6,864). Of the loans granted in the year, £7,168 (2021: £6,864) has been repaid.

Boots Benevolent Fund
Notes to the financial statements (continued)
for the year ended 31 August 2022

8. Investments

	2022	2021
	£	£
Fair value at beginning of year	1,016,321	951,087
Net unrealised (loss)/gain on revaluation	(91,423)	65,234
Fair value at end of year	924,898	1,016,321
Historic cost at end of year	724,328	724,328

The Fund portfolio is made up of assets that include overseas equities, UK equities, property/infrastructure, fixed interest and cash.

9. Debtors: amounts falling due within one year

	2022	2021
	£	£
Amounts falling due within one year:		
Loans to Boots employees	716	—
Other debtors	—	3,310
Amounts due from Boots UK Limited	90,124	131,040
Accrued income	41,134	72,197
	131,974	206,547

In the current year, loans to Boots employees related to the outstanding balance on loans that had not been provided against. Other debtors relate to undistributed supermarket vouchers purchased by the Fund. Amounts due from Boots UK Limited are interest free and repayable on demand. Accrued income relates to income generated through fundraising activities that remained outstanding as at 31 August 2022.

10. Cash at bank and in hand

	2022	2021
	£	£
Deposit accounts		
- COIF Charities Investment Fund	248,425	221,398
- Reserve account	306,462	100,316
	554,887	321,714

The Reserve account includes £3,155 of restricted cash in respect of the restricted funds, see note 11.

11. Restricted funds

The restricted funds represent an amount of unclaimed monies owing to investors in the Boots Employees' Savings Fund which were transferred to the General Benevolent Fund when the Savings Fund was discontinued. This amount was transferred to the Fund on 31 March 1997 but is held in trust and, as such, is not available for distribution by the Fund.

Restricted funds are held in the bank accounts operated by the Fund. Interest received from this account is treated as income of the Fund.

12. Analysis of net assets between funds

Fund balances at 31 August 2022 are represented by:

	Restricted funds	Unrestricted funds	Total
	£	£	£
Investments	—	924,898	924,898
Current assets	3,155	683,706	686,861
Total net assets	3,155	1,608,604	1,611,759

The movement in funds relating to unrealised losses is £91,423 (2021: gains £65,234).

Boots Benevolent Fund
Notes to the financial statements (continued)
for the year ended 31 August 2022

12. Analysis of net assets between funds (continued)

Fund balances at 31 August 2021 are represented by:

	Restricted funds	Unrestricted funds	Total
	£	£	£
Investments	—	1,016,321	1,016,321
Current assets	3,155	525,106	528,261
Total net assets	3,155	1,541,427	1,544,582

13. Employee numbers and costs

The Fund has no employees (2021: none), and no Trustee has received any remuneration or reimbursement of expenses for their services to the Fund during the current or prior year.

14. Related parties

Boots Benevolent Fund is a wholly owned charitable company within the Walgreens Boots Alliance, Inc. Group. All companies within the Group are a related party to the Fund.

During the year, the Fund was donated services to the value of £59,987 (2021: £59,508) from a related company, Boots UK Limited (a wholly owned subsidiary within the Group). Income from certain donations is collected by Boots UK Limited on behalf of the Fund and available to the Fund on demand. The outstanding balance due from Boots UK Limited as at 31 August 2022 was £90,124 (31 August 2021: £131,040).

Amounts outstanding in relation to employee loans as at 31 August 2022 was £716 (31 August 2021: £nil).

During the year, the Fund was donated services to the value of £nil (2021: £9,641) from a related company, Boots Management Services Limited (a wholly owned subsidiary within the Group). There were no outstanding balances between Boots Management Services Limited and the Fund as at 31 August 2022 (31 August 2021: £nil).

15. Post balance sheet events

There have been no significant events since the balance sheet date which should be considered for a proper understanding of these financial statements.

16. Commitments

At the balance sheet date, there are no grants to which the Fund was committed to making that have not been provided for (2021: none).

17. Ultimate parent undertaking

The Fund has no share capital and is limited by guarantee of the members. At 31 August 2022 the Fund's immediate parent Companies are Alliance Boots Holdings Limited and Walgreens Boots Alliance Services Limited, both incorporated in the United Kingdom. The Fund's ultimate parent company and controlling party is Walgreens Boots Alliance, Inc.. Walgreens Boots Alliance, Inc. is also the parent undertaking of the largest and smallest group in which the Company is consolidated. The consolidated financial statements of this group are available from the Walgreens Boots Alliance website at www.walgreensbootsalliance.com.

Walgreens Boots Alliance, Inc. is incorporated in the United States of America, and its principal and registered office address is 108 Wilmot Road, Deerfield, Illinois, 60015. The principal purpose of Walgreens Boots Alliance is to help people across the world lead healthier and happier lives, and the principal activity is retail.