

The Trustees  
The Froebel Trust  
Clarence Lodge  
Clarence Lane  
Roehampton  
London  
SW15 5JW

3 October 2024

**Our ref F0367/SB/RP**

Dear Trustees

### **Post-Audit Report – Year ended 31 March 2024**

The purpose of this letter is to bring to the attention of the Board as those charged with governance and management the findings from our recent audit of the financial statements of Froebel Trust, for the year ended 31 March 2024, for your consideration and to enable you to address matters arising where appropriate. Throughout this letter, “you” and “your” refer to the Board. However, in accordance with International Standards on Auditing (UK) (ISAs) we are communicating them to you formally.

#### **1. Purpose of the audit**

As auditor, we are responsible for performing the audit in accordance with ISAs (UK), which is directed towards forming and expressing an opinion on the financial statements for the year ended 31 March 2024 that have been prepared by management with the oversight of those charged with governance, and other matters required by legislation.

Our work has been carried out in accordance with our audit planning letter dated 14 May 2024.

Our audit work included consideration of the internal controls relevant to the preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of your system of internal control.

The matters being reported are limited to those that were identified during the audit and that we conclude are of sufficient importance to merit being reported to those charged with governance.

## **2. Audit progress**

We would like to take this opportunity to thank all those with whom we dealt during the audit for their assistance and co-operation, in particular Oksana Lissovets and Sacha Powell.

We are pleased to report that the majority of the audit work was undertaken as planned. As with previous years, the work around investments has taken more time than anticipated. Initial errors in the reconciliation prepared and presented to us for the audit meant that inaccurate figures had been included within the accounts. We also encountered difficulties preparing the cash reconciliation relating to the way the investment journals had been posted.

## **3. Annual report and financial statements' format**

The financial statements have been prepared, as last year, in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (Charities SORP FRS 102).

There are no significant changes to the format of the financial statements this year.

## **4. Auditor's report**

We do not propose any modifications to our audit opinion and, therefore, we intend to issue an unqualified opinion in our auditor's report.

## **5. Adjustments made during the audit**

A list of the adjustments which have been made to the figures presented to us for audit is attached as Appendix A. This will be discussed and agreed with Sacha Powell and Oksana Lissovets. .

## **6. Unadjusted misstatements**

Other than clearly trivial misstatements, all the misstatements identified during the audit have been adjusted.

## **7. Accounting policies, accounting estimates and disclosures**

The accounting policies used in preparing the financial statements are unchanged from the previous year.

Our work included a review of the adequacy of disclosures in the financial statements and consideration of the appropriateness of the accounting policies and estimation techniques adopted by the charity. We found the disclosed accounting policies, significant accounting estimates and the overall disclosure and presentation to be appropriate for the charity.

## **8. Letter of representation**

We enclose the draft letter of representation which we will request management and the trustees to approve and sign at the same time as the financial statements. This includes acknowledgement of the trustees' responsibility for the design and implementation of internal controls to prevent and detect fraud.

As set out in our planning letter, we understand the following applied to the year ended 31 March 2024.

- Trustees of Froebel Trust exercised effective oversight of management's processes for identifying and responding to the risks of fraud in the charity and a system of internal controls was in place to mitigate these fraud risks.
- Trustees were not aware of any instances of actual, suspected, or alleged fraud, including misconduct or unethical behaviour related to financial reporting or misappropriation of assets.
- There have not been any out of the ordinary transactions.
- If the above information is no longer correct, please contact Shachi Blakemore or Rebecca Webb-Peploe.

## 9. Segregation of duties

We recognise that the number of your accounting staff makes a complete system of internal control impracticable and that the trustees exercise close personal supervision, which we consider reasonable in the circumstances. We have taken this into account in conducting our audit and in preparing this letter.

## 10. Accounting and internal control systems

Our work during the audit included an examination of some of the charity's transactions, procedures and controls with a view to expressing an opinion on the financial statements for the year ended 31 March 2024.

This work was not directed primarily towards discovering weaknesses, other than those that would affect our audit opinion, or towards the detection of fraud. We have included in this report only matters that have come to our attention as a result of our normal audit procedures and consequently our comments should not be regarded as a comprehensive record of all weaknesses that may exist or of all improvements that might be made.

### Investment accounting and accounts preparation

Priority rating: A (High)

In previous years, we have highlighted the need for additional attention to be given to the investments note, and while we have noted significant improvement, there were still a number of amendments which were required. We recommend that a final check is performed each quarter to ensure that the figures per the cash account reconciliations are consistent with the figures per the investment register. We also recommend that all elements of the financial statements are prepared prior to audit, as the preparation of areas such as the cash flow statement and the investments disclosure will not only help identify any inconsistencies in the investment

recognition, but also helps to ensure appropriate segregation between our role as auditors and the role of accounts preparation, as required by ethical standards.

## 11. Prior year observation

There were no issues raised last year which required follow-up in the current year, with the exception of the investment accounting recommendation, which has been noted above.

## 12. Materiality

**Materiality threshold   £11,700**

**Reporting threshold:   £585**

Materiality refers to the relative significance of a particular matter in the context of the financial statements as a whole. An item would be considered material if its omission or its erroneous inclusion would reasonably influence the decisions of those using the financial statements.

We are required to report corrected audit misstatements, and uncorrected audit misstatements in excess of our reporting threshold which is set at 5% of overall materiality.

Our materiality threshold is based on 2% of grant expenditure, A lower level of materiality may be selected for specific areas of the financial statements and for some disclosure items e.g. transactions and other financial arrangements with trustees and their connected persons.

When considering the impact of misstatements discovered during the course of our audit and considering the implications for our report of such misstatements, we will refer to this level amongst other things. Whether a misstatement is 'material' or not is ultimately down to the auditor's judgement.

## 13. Professional ethics

In accordance with our profession's ethical guidance and further to our letter to you dated 14 May 2024 confirming audit planning arrangements there are no further matters to bring to your attention in relation to Integrity, Objectivity and Independence.

## 14. Current developments

We have also attached a summary of other recent and ongoing developments as Appendix C to this report. The matters included in this appendix may not all be directly relevant to the charity. However, we are aware that a lot of trustees are involved with more than one organisation, therefore we have included items for general information.

## 15. Updates, insights and seminars

As part of our commitment to the charity sector, during the year the Charity Team issues occasional Updates and Insights on matters of relevance to the sector and also holds a number of seminars free of charge throughout the year. We would be delighted to welcome representatives of your charity to our seminars or to add trustees and management to our email distribution lists if this would be welcome. News and Insights are also available on our website at [News and insights \(buzzacott.co.uk\)](https://buzzacott.co.uk/news-and-insights), where there is also an opportunity to sign up to our mailing list should you wish.

## Conclusion

This letter has been prepared for your private use only. It has been prepared on the understanding that it will not be shared with any third party without our prior written consent and we can therefore assume no responsibility to any other party. Any recommendations contained herein are based on the information you have provided and UK law and judicial and administrative interpretation as of the date of this letter. Should the facts provided to us be incorrect or incomplete, or should they change, our recommendations may be inappropriate. Buzzacott LLP accepts no liability for losses arising from changes in UK law, interpretation or practice or in public policy that are first published after the date of this letter.

If you require any further information or assistance, we shall be very pleased to help you.

We would be pleased to receive your comments and reaction to this letter.

Yours faithfully



## Appendix A: Adjusted misstatements

### Adjusted misstatements

		Statement of Financial Activities		Balance Sheet	
		Debit £	Credit £	Debit £	Credit £
<b>1</b>	DR Gains/losses on investments CR Investment income <i>Being investment adjustment to amend split between realised/unrealised gains</i>	66,281	66,281		
<b>2</b>	Dr Investment properties Cr Gains/losses on investment properties <i>Being the recognition of the investment property uplift in the year</i>		39,000	39,000	
<b>2</b>	DR Net pension liability DR Net interest expense CR Actuarial gain CR Staff costs  <i>Being year-end pension adjustment.</i>	4,000	31,000 4,000	31,000	

The above adjustments had the effect of increasing net reserves by £70,000 in relation to the pension adjustment and the investment property uplift. Other adjustments were presentational in nature.

## Appendix B: Sector Developments

### Trustees' Annual Report and Accounts

#### Changes to UK GAAP

In March 2024, the Financial Reporting Council published amendments to *FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

The amendments encompass a number of changes including:

- a new model of revenue recognition designed to align UK GAAP with IFRS 15 *Revenue from Contracts with Customers*;
- a new model of lease accounting which brings assets under operating leases on to the balance sheet, designed to align UK GAAP with IFRS 16 *Leases*; and
- various other incremental improvements and clarifications.

The amendments will be effective for accounting periods beginning on or after 1 January 2026 and can be read at: [https://media.frc.org.uk/documents/Amendments to FRS 102 and other FRSs.pdf](https://media.frc.org.uk/documents/Amendments%20to%20FRS%20102%20and%20other%20FRSs.pdf)

#### Development of new Charity Statement of Recommended Practice (SORP)

The new Charities Statement of Recommended Practice (SORP) had been expected to be published in August 2024 but a revised timeline for release is being considered. An update on this will be issued in due course.

Background on the 15 topics for change that have been considered by the SORP Committee are available at: <https://charitycorp.org/engage-briefings-to-inform-the-engagement-process-in-developing-the-next-sorp>

#### Company size thresholds

The Government intends to lay legislation this summer to increase the (financial) thresholds that determine whether a company is classified as small, medium or large:

- Micro entity thresholds will move from not more than £632,000 turnover to not more than £1m with the balance sheet total threshold increasing to not more than £500,000;
- Small entity thresholds will increase to not more than £15m turnover, from £10.2m with the balance sheet total threshold increasing to not more than £7.5m; and

- The upper medium threshold will move to not more than £54m with the balance sheet total threshold increasing to not more than £27m.

Any company above the upper medium threshold would be classified as large. If legislation is passed, the thresholds are set to come into effect from financial years starting on or after 1 October 2024.

Further detail can be found at: <https://questions-statements.parliament.uk/written-statements/detail/2024-03-19/hcws354>

## **Changes to UK Company law**

The Economic Crime and Corporate Transparency Act received royal assent on 26 October 2023 meaning that Companies House will have more power to play a more significant role in tackling economic crime and supporting economic growth. Some of the changes introduced have a direct impact on how accounts are prepared and filed, whilst others impact how company information is collated, checked and stored. A summary of key changes are listed below:

- Requirement for anyone setting up, running or controlling a company to verify their identity;
- Method of filing accounts will be moved to being by software only;
- Approach to filing small and micro entity accounts will be streamlined, with the option to file 'abridged' accounts being removed;
- Updates to disclosures surrounding audit exemptions;
- Limited partnerships will need to provide more information to Companies House with filing done by agents; and
- Individuals will have the ability to suppress certain parts of personal information that historically appear on public record.

Further details can be found at: <https://changestoukcompanylaw.campaign.gov.uk/>

One of the biggest practical changes that will impact registered companies is the need to provide email addresses for Companies House with the aim to phase out paper correspondence in due course. Information on this change can be found here: <https://www.buzzacott.co.uk/insights/companies-house-registered-email-addresses>



HMRC have also confirmed that they plan to reduce the volume of phone calls received by its advisers by 30% by the end of 2024 in a bid to improve the quality of service provided and to encourage people to use its digital services.

## **Charities Act 2022**

The phased implementation of the Charities Act 2022 is now complete with all changes now being applied. The key changes relate to how trusts and unincorporated associations make changes to governing documents, new rules around selling, leasing or disposing of land and new guidelines on how gifts to charities that are merging are treated.

Further information can be found at: <https://www.gov.uk/guidance/charities-act-2022-guidance-for-charities>

## **Update on ex-gratia payments**

Typically, ex-gratia payments would breach trust law, as they divert funds from charitable purposes. However, section 106 of the Charities Act 2011 permitted the Charity Commission to authorise such transactions when trustees deemed the payments as a moral obligation. With the aforementioned changes in the Charities Act 2022, charities will gain increased authority to make ex-gratia payments of up to a certain threshold without obtaining prior consent from the Charity Commission.

The new thresholds are income based, and are:

- Gross income of up to £25,000 in the last financial year, the charity can approve payments of up to £1,000;
- Gross income of up to £250,000 in the last financial year, the charity can approve payments of up to £2,500;
- Gross income of up to £1m in the last financial year, the charity can approve payments of up to £10,000; and
- Gross income of over £1m in the last financial year, the charity can approve payments of up to £20,000.

The detailed legislation is at: <https://www.legislation.gov.uk/ukpga/2022/6/section/15/enacted>

## **Sustainability and reporting**

Whilst many companies and organisations are including sustainability and climate change-related information in their annual reports, only the largest private and listed companies are required to provide

such information. This disclosed information is not yet subject to any independent 'checking' which has resulted in the 'greenwashing' claims about some unverified information contained in annual reports.

June 2023 saw the issue of the first two international sustainability reporting standards aimed at improving trust and confidence in company disclosures about sustainability and climate change. The two IFRS Sustainability Disclosure Standards are internationally effective from 1 January 2024 although they have not yet been adopted by UK standard setters. However, it is likely that compliance will become mandatory in the near future. To begin with, the obligation may only be for large companies but, the 'trickle down' process is likely to require many organisations to ensure that they can provide adequate information to others in their supply chain who have the reporting obligation. As is usually the way, the reporting obligation will ultimately be extended to smaller and not-for-profit entities.

In anticipation of the above, it is advisable to start discussions around sustainability reporting and data early and more information can be found at: <https://www.ifrs.org/issued-standards/ifrs-sustainability-standards-navigator/>.

## Policy and Governance

### Charity Commission 2024-2029 Strategy

The Charity Commission has published its new strategy with five key priorities:

- To be fair and proportionate in its work and clear about its role;
- To support charities to get it right but take robust action where they see wrongdoing and harm;
- To speak with authority and credibility, free from the influence of others;
- To embrace technological innovation and strengthen how its data is used; and
- To be the expert Commission - where its people are empowered and enabled to deliver excellence in regulation.

The regulator is in the process of identifying a set of strategic impact measures which will be published in mid-2024. The Commission aims to report against those measures for the first time in the Annual Report for 2024-25, which will be published in July 2025.

The full strategy can be read at: <https://www.gov.uk/government/publications/charity-commission-strategy-2024-2029/charity-commission-strategy-2024-2029>

## UK Corporate Governance Code 2024

The UK Corporate Governance Code was revised in January 2024 with the key focus being to enhance transparency and accountability of UK premium listed companies and help support the growth and competitiveness of the UK and its attractiveness as a place to invest. The Code does not set out a rigid set of rules; instead, it offers flexibility through ‘comply or explain’ reporting against the Provisions. The main change in the 2024 Code is a new requirement under Provision 29 for a declaration of effectiveness by the board in relation to material controls which will come into force on 1 January 2026. The other, less substantial, changes to the Code will take effect from 1 January 2025.

The full Code can be read at:  
[https://media.frc.org.uk/documents/UK\\_Corporate\\_Governance\\_Code\\_2024\\_kRCm5ss.pdf](https://media.frc.org.uk/documents/UK_Corporate_Governance_Code_2024_kRCm5ss.pdf)

A summary of key changes since the 2018 Code, as published by the FRC, can be found at:  
[https://media.frc.org.uk/documents/UK\\_Corporate\\_Governance\\_Code\\_2024\\_Key\\_Changes.pdf](https://media.frc.org.uk/documents/UK_Corporate_Governance_Code_2024_Key_Changes.pdf)

## Charity Governance Code

A review of the Charity Governance Code takes place roughly every three years to ensure it remains relevant. A consultation has been launched to gather feedback on potential enhancements to the Code, focusing on its content, structure, applicability to different charity sizes, language, and user-friendliness. The consultation runs to 11 August 2024 with a response being planned in Autumn 2024 with an updated Code expected in early 2025.

For further reading please see: <https://www.charitygovernancecode.org/en/about-the-code-1/updating-the-code>

## Recruitment challenges of Chairs'

New research by Bayes Business School's Centre for Charity Effectiveness highlights the need for charities to better understand the motivations of potential chairs, particularly younger generations, to address recruitment challenges. Surveying 61 chairs and 23 support representatives, the study found that the pipeline of future chairs is a significant concern, with barriers such as time pressures, responsibility level and a lack of diversity deterring potential candidates. The report emphasises the demanding nature of the chair role, recommending rigorous and inclusive recruitment processes promoting the role as aspirational, and providing future focussed support.

The full paper can be read at: [https://www.bayes.city.ac.uk/\\_data/assets/pdf\\_file/0009/794133/Bayes-CCE-The-Future-Charity-Chair-report-June2024.pdf](https://www.bayes.city.ac.uk/_data/assets/pdf_file/0009/794133/Bayes-CCE-The-Future-Charity-Chair-report-June2024.pdf)

## **Fundraising levy**

The Fundraising Regulator has announced it will increase the voluntary levy it asks charities to pay by up to 50% over two years, following a consultation with the sector.

Its increases, the first in eight years, will mean the largest charities pay £22,500 a year, a £7,500 rise on current rates.

Further information on the revised rates can be seen at: <https://www.fundraisingregulator.org.uk/registration/fees/changes-to-levy-registration-fee>

## **Charity Commission guidance on accepting donations**

The Charity Commission has published new guidance to help charities when deciding whether to accept, refuse or return a donation. The guidance is designed to help trustees have informed discussions when faced with a choice that has potentially significant consequences but accepts that the default position for trustees should be to accept donations. In making their decision, trustees should:

- consider the risks involved in accepting or refusing the donation, and how likely and serious these are (e.g. reputational harm or negative financial consequences);
- determine what steps they can take to mitigate the risks (e.g. developing a public explanation for a decision); and
- determine how any decision aligns with their charity's purposes.

The regulator also warns trustees not to allow their personal views, or any external pressures that do not relate to their charity's purposes, to influence them to act in a way that is not in their charity's best interest.

The full guidance can be read at: <https://www.gov.uk/guidance/accepting-refusing-and-returning-donations-to-your-charity>

## **Charity Commission guidance on investing charity money**

The Charity Commission has recently streamlined its guidance on investing charity money making it more accessible to trustees. Amongst other things, it:

- reminds trustees' of their principal duty to further their charity's purposes as part of setting and reviewing its policy on investments;

- reiterates that trustees' own judgement may be used on whether to restrict investment in organisations that contradict their mission;
- Advises that trustees may also choose to integrate environmental, social and governance issues into their investment strategy to either boost returns or protect their reputation;
- Advocates working with a professional firm to manage investments; and
- Acknowledges that there may be potential conflicts of interest that affect the use of particular advisors (e.g. if they are recommending to use their own funds or services without being able to demonstrate why those will serve a charity's purposes better than others).

The full guidance can be read at: <https://www.gov.uk/government/publications/charities-and-investment-matters-a-guide-for-trustees-cc14>

## **Charity Commission renews calls for urgent action from UK banking sector**

The Charity Commission's annual sector survey has unveiled concerning findings with 42% of trustees reporting that their charities experienced poor service from banks in the last 12 months. The risks associated with inadequate banking services extends beyond inconveniences, potentially risking the provision of charitable activities and promoting unsafe financial practices, such as the use of personal accounts to ensure charitable activities continue. There have been instances where accounts have been frozen with minimal notice after identification requests further highlight the severity of the issues. It is important for the banking sector to address these challenges promptly to ensure the continuation operations of charitable organisations and safeguard their valuable contributions to society.

For more information see: <https://www.gov.uk/government/news/new-data-suggests-nearly-half-of-charities-experience-issues-when-banking>

## **Charity Commission guidance on cost of living pressures**

The Charity Commission has published guidance on managing financial difficulties as a result of the cost of living crisis covering key topics regarding trustee duty and decision-making, practical tips on what to do in situations where charities are in financial difficulty, what to do if the charity cannot continue to operate and a reminder on reporting serious incidents.

The detailed guidance can be seen at: <https://www.gov.uk/guidance/manage-financial-difficulties-in-your-charity-arising-from-cost-of-living-pressure>

## Charity Fraud Report 2023

The Fraud Advisory Panel issued its 2023 Charity Fraud Report in January 2024 following a survey of 121 charities, of which 62% generated income of over £10m, within the UK. The below key findings were noted:

- 36% of charities have experienced more instances of fraud than in the previous year;
- 50% of detected frauds were perpetrated internally (by staff, trustees or volunteers);
- 67% of charities agree that the cost-of living crisis has increased fraud risk; and
- 92% of charities who suffered a fraud experienced financial losses due to fraud (compared to 69% in 2022), with there being a shift to higher value frauds (over £10,000) taking place.

The report identifies that the most common frauds relate to misappropriation of cash or other assets, expenses, procurement, false beneficiaries or cyber matters with two-thirds of charities reporting that frauds were detected as a result of internal controls in place indicating the importance of designing a control environment with fraud risk at the centre.

Fraud prevention strategies include ensuring robust policies are in place (and are being followed) on cybersecurity, anti-fraud and conflicts of interest, whilst also ensuring adequate training is provided to those associated with the charity on a regular basis. A fraud response plan should also be devised and implemented in case of any adverse event.

The full report, including the Panel's top tips for preventing fraud (on page 22 and 23) can be read at: <https://www.fraudadvisorypanel.org/document/2023-charity-fraud-report/>

## VAT fraud alert

VAT practitioners have been made aware of instances where taxpayers' bank account details have been amended on the HMRC portal without their knowledge, resulting in VAT repayments being diverted to unknown third parties. This issue came to light when clients reported that expected repayments had not arrived, and it was discovered that forged director signatures were used to change the bank details. Taxpayers filing repayment claims should therefore regularly check that their bank details have not been altered.

## Cyber-attacks

The British Library was subject to a cyber-attack in October 2023 and has published a "lessons learned" paper to help others in the sector who may experience similar. It covers the detail of the attack, and the

impact it has had on operations, future infrastructure and risk assessments. The paper can be read at: <https://www.bl.uk/home/british-library-cyber-incident-review-8-march-2024.pdf>

## **Annual Return 2022 findings**

The Charity Commission has recently released the Annual Return 2022, highlighting key trends across the sector for financial years ending in 2022. The key trends are as follows:

- Total gross income increased by 8.5% from 2021 figures to £90.3 billion;
- Gross expenditure increased by 9.2% totalling £87.4 billion;
- Decline in national and local government grants to £7 billion from £8.2 billion in 2021;
- 27,001 charities received a government grant in 2022 compared to 35,474 in 2021;
- Free reserves remained broadly consistent at £75 billion, compared to £73 billion in 2021; and
- Volunteer numbers reported an overall increase to just over 6 million people, though religious charities and those supporting armed forces personnel experienced a decline in volunteer participation from 2021.

For further detail please see: <https://www.gov.uk/government/publications/charity-commission-annual-return-data/annual-return-data-january-to-december-2022>

## **Additional questions on Charity Annual Returns**

The questions posed in the Charity Commission's Annual Return have been updated for financial years starting on or after 1 January 2023. The most significant changes relate to smaller charities where, depending on the level of income, the number of responses required may be reduced. Narrative changes to some questions have been made to improve clarity and improvements in the glossary and guidance have also been made to help charities answer questions quickly and accurately.

The detailed list of questions can be found at Appendix 8 at the following link: <https://www.gov.uk/government/consultations/charity-commission-revisions-to-the-annual-return-2023-25>

## **Guidance on internal controls**

The government has updated their guidance (CC8) on internal financial controls for charities. The revised guidance includes updates on digital payment systems, fraud and cybercrime. The Charity Commission's internal control checklist, a tool available for trustees and charity management to check controls against

the latest legal requirements has also been updated to reflect the latest guidance. The Charity Commission recommends that internal financial controls should be reviewed at least once a year. The updated guidance and checklist can be found at Internal financial controls for charities at <https://www.gov.uk/government/publications/internal-financial-controls-for-charities-cc8>

## **Trustee Quiz**

The Charity Commission has released a new Trustee Quiz to enable trustees to test their knowledge of their roles and responsibilities. It is aimed to engage trustees with questions based on everyday scenarios in a bid to identify any knowledge gaps and to act as a refresher for all trustees. The quiz takes three minutes to complete with feedback provided for each question and a score out of 10.

The quiz can be found at: <https://beingacharitytrustee.campaign.gov.uk/take-the-trustee-quiz/>

## **UK employment law**

A number of employment law regulatory changes have taken place in recent months including increases in statutory sick pay, updated redundancy pay calculations and national minimum wage increases which can impact organisations and their HR processes and documentation. The following insight provides detailed commentary on the changes and information on how Buzzacott can support: <https://www.buzzacott.co.uk/insights/an-update-on-uk-employment-law-2023>

A further development in 2024 was confirmed by the UK government who will be tripling the penalties for employing illegal workers from a minimum of £15,000 to £45,000 per worker: <https://www.buzzacott.co.uk/news/penalties-for-employing-illegal-workers-in-the-uk-are-set-to-triple>

## **Artificial Intelligence (AI)**

Over the past year, the transformative potential of AI has become a major discussion point within the charity sector. The Charity Commission emphasise the importance of using AI responsibly to further charitable purposes. AI is increasingly being adopted by charities for resource-intensive tasks. The 2023 Charity Digital Skills report found that 35% of charities already use AI, with another 26% planning to adopt it. However, there are risks, such as data security, GDPR compliance, and the potential for AI to produce inaccurate or biased results. Charities should consider developing an internal AI policy, ensure human oversight and remain mindful of legal obligations to mitigate these risks. The Commission is actively learning about AI's potential and risks, engaging with the sector and other regulators, but does not currently plan to issue specific new guidance.

For further reading please see: <https://charitycommission.blog.gov.uk/2024/04/02/charities-and-artificial-intelligence/>



Following on from the Charity Commission blog, other sector bodies have been heavily involved in supporting charities in gearing up for AI. A checklist, created by Zoe Amar Digital, has been developed which aims to help charities build AI understanding, make informed decisions, and track progress. Recognising the varied knowledge on technology, the checklist offers guidance for beginners and advanced users alike, encouraging a tailored approach to integrating AI and fostering strategic discussions at the board level. It can be found at: <https://zoeamar.com/artificial-intelligence/ai-checklist-for-charity-trustees-and-leaders/>

## **Charity tax returns – why are they so important?**

Whilst it is not compulsory for charities to file a tax return, HMRC is able to perform random checks on charities to ensure exemptions are being claimed correctly. There is no blanket exemption on income generated by a charity because of their charitable status. If a charity receives income that does not fall under the available exemptions, then the profit element of the income will be subject to tax. The main forms of exempt charitable income are:

- Donations and legacies;
- Trading income, where this derives from activities in furtherance of or ancillary to the charity's objectives, or activities carried out by the charity's beneficiaries; and
- Certain investment and property income.

If there is non-charitable trading income that does not fall under the above exemptions, the small-scale taxable trades exemption can be applied whereby a tax liability will not be applied if the non-charitable trading income is less than 25% of the charity's total income, subject to a cap of £80,000. If £80,000 is breached, the total non-charitable trading income will be taxable.

Further information can be found at: <https://www.buzzacott.co.uk/insights/charity-tax-returns-why-are-they-so-important>

## **Charity Commission tax guidance**

The Charity Commission has published guidance on direct tax obligations of charities and reliefs available. It is designed to allow charities access to relevant resources in one place with the guidance being available at: <https://www.gov.uk/government/publications/charities-detailed-guidance-notes>

## **Reformed IR35 guidance**

Off-payroll working legislation governs how organisations handle tax for workers providing services through intermediaries, such as personal service companies. The reformed rules, introduced in 2017 and expanded

in 2021, shift the responsibility of determining employment status from the worker's intermediary to the client engaging them. The reformed guidelines assist clients and deemed employers in applying these rules, ensuring correct tax and National Insurance contributions are paid. They also provide examples of best practices to minimise errors and potential penalties. Organisations should use these guidelines alongside existing resources to make informed decisions based on their specific circumstances.

Detailed guidance can be found at: <https://www.gov.uk/government/publications/help-to-comply-with-the-reformed-off-payroll-working-rules-ir35-gfc4>

## **Navigating the Employment Allowance and Apprenticeship Levy**

HMRC is warning certain clubs and associations that they may be liable to pay the Apprenticeship Levy (AL) and are also no longer eligible for Employment Allowance (EA) relief.

The complexity of understanding eligibility for both the EA and the AL is the requirement to look beyond the payroll of the immediate employer and add the value of total payroll or the secondary Class 1 NIC liability of any connected employers. These rules are applicable whether an organisation is assessing eligibility for EA or AL.

Many unincorporated associations such as clubs, societies, religious bodies, amateur sporting bodies, and political parties, should be aware of these rules.

Further information can be found at: <https://www.buzzacott.co.uk/insights/navigating-the-employment-allowance-and-apprenticeship-levy>

## **Working from home overseas – tax, social security, and payroll considerations**

There are a number of tax, social security and compliance issues that both employees and employers should consider before allowing overseas working. Employers should seek professional advice as to whether they will have social security and workplace pension scheme obligations in the country in question. Consideration will also need to be given whether an employee working abroad would create a fixed permanent establishment, resulting in potential overseas tax liabilities.

For further information, please see: <https://www.buzzacott.co.uk/insights/working-from-home-overseas-the-tax-social-security-and-payroll-considerations>

## **Charity tax compliance consultation**

HMRC are seeking views on several areas of concern (mainly in relation to abuse) in a consultation process which came to an end on 20 July 2023. The four areas that came under review were on charitable

investments, non-charitable expenditure, tainted charity donations and filing obligations. HMRC do not intend to change the purpose of existing rules but want to ensure that they continue to be fit for purpose.

The results of the consultation have not yet been published but information on the process can be found at: <https://www.gov.uk/government/consultations/charities-tax-compliance/consultation-charities-tax-compliance>

## **Benefits in kind**

On 16 January 2024 the government announced that it will mandate employers to report and collect Income Tax and Class 1A National Insurance contributions on employment benefits through payroll software from 6 April 2026. This means that the 2025 to 2026 tax year will be the last year that employers will be able to file P11Ds and P11D(b)s with HMRC in most cases. From this date, tax on employment benefits will be collected in real time and not through tax codes in arrears. Class 1A National Insurance contributions will also be collected in real time for each pay period rather than at the end of the year. These changes aim is to reduce the administrative burden for employers with draft legislation due to be published later this year.



***REGISTRAR OF COMPANIES***

**Annual Report and  
Financial Statements**

31 March 2024

Company Limited by Guarantee  
Registration Number  
07862112 (England and Wales)

Charity Registration Number  
1145128

# CONTENTS

<b>TRUSTEES' REPORT</b>	<b>PAGE</b>
1. Reference and Administrative Information	3
2. Our Mission and History	4
3. Our Aims and Objectives	5
4. The Year in Summary	6
5. Detailed Activity	7
5.i Enabling	7
5.ii Informing	8
5.iii Connecting	10
5.iv Evidencing and Equality, Diversity & Inclusion	10
5.v Advocating	12
6. Achievements	13
6.i Reach and Engagement	13
6.ii Benefits and Impact	16
7. Structure, Governance and Management	18
7.i Governance Review and Training	19
8. Principal Risks and Uncertainties	19
9. Looking Ahead – Plans for 2023-24	19
10. Financial Review	24
<b>INDEPENDENT AUDITOR'S REPORT</b>	27
<b>FINANCIAL STATEMENTS</b>	
Statement of financial activities	31
Balance sheet	32
Principal accounting policies	34
Notes to the financial statements	38

## **1. REFERENCE AND ADMINISTRATIVE INFORMATION**

### **TRUSTEES AND DIRECTORS**

Sharon COLILLES	Mark NEALE (Chair)
Fufy DEMISSIE	Lucy PARKER
Jean-Noël EZINGEARD	Michael PEARSON (Treasurer)
Catriona GILL	Paula LESTER (formerly PHILLIPS)
Kate HOSKINS	Holli WILLIAMS
Abha HURRI	Lilah WOODS

### **CHIEF EXECUTIVE OFFICER**

Sacha Powell

### **REGISTERED OFFICE**

Clarence Lodge, Clarence Lane, Roehampton, London, SW15 5JW; Telephone 0208 878 7546; E-mail: [office@froebeltrust.org.uk](mailto:office@froebeltrust.org.uk); Website: [www.froebel.org.uk](http://www.froebel.org.uk).

### **REGISTRATION**

Company Number 07862112 (England and Wales); Charity Number 1145128

### **AUDITOR**

Buzzacott LLP, 130 Wood Street, London EC2V 6DL

### **BANKERS**

Barclays Bank, Wandsworth Group, PO Box 3847, London SW11 1TR

### **SOLICITORS**

Moore Barlow LLP, 60 Cheapside, London EC2V 6AX

### **INVESTMENT MANAGERS**

Waverton Investment Management Limited, 16 Babmaes Street, London SW1Y 6AH

### **PROPERTY ADVISORS**

Knight Frank LLP, 55 Baker Street, London W1U 8AN

## 2. OUR MISSION AND HISTORY

The Froebel Trust ('the Charity' or 'the Trust') is a registered charity governed by its Articles of Association. Its registered number is 1145128. It is also a company limited by guarantee (with members' liability £1) registered in London, No. 7862112.

The Trustees, who are also the directors of The Froebel Trust, a charitable company, submit their report and financial statements for the period ended 31 March 2024.

**This report has been prepared in accordance with guidance & requirements of the Charities SORP FRS-102.** The financial statements have been prepared using the accounting policies set out in pages 34 to 36 and comply with the Charity's Articles, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), effective from accounting periods commencing 1 January 2015 or later and Update Bulletin 1.

**The Froebel Trust's Charitable Objects are to:**

***Promote for the public benefit the advancement and understanding of Froebelian principles of education in learning within the UK and internationally.***

The Trust seeks to realise these objects by funding a programme of research in the field of early years education; by promoting and funding training for early childhood teachers and practitioners; by providing a range of other educational resources; and by raising public awareness of the Froebelian principles and approach to education.

The Trust has been working to advance Froebelian education for well over a hundred years in its various forms since its formation in London in 1892 as IFEI. An account of major milestones in this history is available on the [Trust's website](#).

**In preparing this report, the trustees have had regard to the guidance issued by the Charity Commission on public benefit.** Details of our achievements - in terms of reach and engagement, and impact and benefits – are summarised in section 6.

### 3. OUR AIMS AND OBJECTIVES

The Froebel Trust's work is devoted to research and practice development in Early Years / Early Childhood Education and Care. Our strategic objectives are to:

1. Advance knowledge and understanding of Froebelian education in the 21<sup>st</sup> century through research and practice development
2. Increase and improve Early Years practice in accordance with Froebelian principles for education and learning
3. Champion Froebelian principles and their application in contemporary research and practice.
4. Assess progress against our objectives by gathering and reviewing evidence from different sources.
5. Practise careful stewardship of our assets to preserve their inflation-adjusted value so we can continue to support future generations.

Our five strategic programmes for 2021-26 are designed to realise our objectives and priorities:

- a. **Enabling** by awarding grants and bursaries for research and practice development.
- b. **Informing** through access to free resources for professional learning.
- c. **Connecting** via in-person and virtual networks and groups.
- d. **Evidencing** by marshalling the best available data to show the characteristics and benefits of a Froebelian approach to education and learning and the outcomes of our activities.

Throughout this report, we refer to [Froebelian Principles](#), which underpin our work and the education and learning that we strive to promote and advance. The principles are:

**UNITY & CONNECTEDNESS:** Everything in the universe is connected. The more one is aware of this unity, the deeper the understanding of oneself, others, nature, and the wider world. Children are whole beings whose thoughts, feelings and actions are interrelated. Young children learn in a holistic way and learning should never be compartmentalised for everything links.

**AUTONOMOUS LEARNERS:** Each child is unique and what children can do rather than what they cannot, is the starting point for a child's learning. Children learn best by doing things for themselves and from becoming more aware of their own learning. Froebelian educators respect children for who they are and value them for their efforts. Helping children to reflect is a key feature of a Froebelian education.

**THE VALUE OF CHILDHOOD IN ITS OWN RIGHT:** Childhood is not merely a preparation for the next stage in learning. Learning begins at birth and continues throughout life.

**RELATIONSHIPS MATTER:** The relationships of every child with themselves, their parents, carers, family, and wider community are valued. Relationships are of central importance in a child's life.



**CREATIVITY & THE POWER OF SYMBOLS:** Creativity is about children representing their own ideas in their own way, supported by a nurturing environment and people. As children begin to use and make symbols, they express their inner thoughts and ideas and make meaning. Over time, literal reflections of everyday life, community and culture become more abstract and nuanced.

**THE CENTRAL IMPORTANCE OF PLAY:** Play is part of being human and helps children to relate their inner worlds of feelings, ideas and lived experiences taking them to new levels of thinking, feeling, imagining, and creating and is a resource for the future. Children have ownership of their play. Froebelian education values the contribution of adults offering ‘freedom with guidance’ to enrich play as a learning context.

**ENGAGING WITH NATURE:** Experience and understanding of nature and our place in it, is an essential aspect of Froebelian practice. Through real life experiences, children learn about the interrelationship of all living things. This helps them to think about the bigger questions of the environment, sustainability, and climate change.

**KNOWLEDGEABLE AND NURTURING EDUCATORS:** Early childhood educators who engage in their own learning and believe in principled and reflective practice are a key aspect of a Froebelian approach. Froebelian educators facilitate and guide, rather than instruct. They provide rich real-life experiences and observe children carefully, supporting and extending their interests through ‘freedom with guidance’.

## 4. THE YEAR IN SUMMARY

Strategic Programmes in 2023-24	
Enabling	
Bursaries	Fee subsidies for university courses at level 4, 6 and 7
	Fee reductions for Froebel Trust CPD courses
Grants	Froebelian ‘Hub and Spoke’ projects supported
Informing	
Projects	Froebel Trust Courses Project Commissioned
	Digitalization Project - Archive Materials
Resources	Pamphlets, Research Highlights, Films, Podcasts, Case Study Map
Events	Webinars and representation at others’ events
Connecting	
Networks	Support for local and national Froebelian networks
	Enabling attendance at International Froebel Society Conference
Evidencing	
Evaluation	Commissioned assessment of funded project
EDI Review	Improving equality, diversity & inclusion through analysis, review, and training
Advocating	
Lecture	Live-streamed annual lecture
Loans	Froebelian artefacts loaned to museums for special exhibitions

## 5. DETAILED ACTIVITY

This section provides more detailed descriptions of the activities within each strategic programme: Enabling, Informing, Connecting, Evidencing and Advocating.

### 5.i ENABLING

Expenditure budget excluding staff costs £409,648

#### Hub & Spoke Programme

The Trust's most ambitious "Hub and Spoke" programme saw continued investment in integrated research and practice development. Funding for three years (2021-2024) was channelled through two project teams whose objectives were: to support and promote exemplary Froebelian approaches to early childhood education and care; to raise awareness, improve knowledge & understanding and extend the practice of Froebelian education, ideas and principles; to gather robust evidence about the distinctive characteristics of a Froebelian approach to early childhood education and care, and the outcomes and impacts associated with this approach; and to persuade educators, carers, parents and policymakers of the evidence-based benefits of Froebelian approaches to the education and care of young children. To this end:

- A. Froebelian Futures (<https://www.froebel.ed.ac.uk/>) continued to provide fully funded training in Practitioner Inquiry and Froebelian Leadership; child-led and participatory research; outreach in communities with pop-up play cafes for families; events - online and in person; a range of educator-focused resources and academic articles; webinars, conferences and networking events; and advocacy for policy influence in the Scottish education context.
- B. The Froebel Partnership's (<https://thefroebelpartnership.co.uk/>) second cohort of local educators completed Froebel training. Additional workshops were provided online to illustrate Froebelian Occupations (such as sewing or clay) in action. Presentations at international conferences shared emerging research findings from data collected by the partners in the UK and New Zealand; and nursery tours, community events, web resources and publications helped to improve awareness and understanding among young families and educators about a Froebelian approach.

#### Subsidised education and training

Developing educators' knowledge and understanding of Froebelian education was a priority.

- A. Students in higher education, especially those who would not otherwise be able to afford the courses, were supported with fee subsidies for: The Froebel Certificate at the University of Roehampton; The MA in Early Childhood Studies at the University of Roehampton; and The MSC Education (Froebel Pathway) at the University of Edinburgh.
- B. Price reductions (bursaries) were also provided for the Froebel Trust's own training via: The online course (24 sessions x 3 cohorts) from September 2023 (70 participants); and face-to-face courses in England, Scotland and Wales (72 days of training provided)

## Preparing our grants process for 2024-25

Guidance for applicants (for 2024-25 grants) was updated in 2023 and shared in February 2024. Invitations were offered for 1-1 meetings with the Grants Manager and proved very popular during March. Significant time and funds were invested to update the online application portal and enhance the application and scrutiny forms including additional questions about Sustainable Development Goals and intended involvement and project benefits for under-represented or minoritized groups.

### 5.ii INFORMING

Expenditure budget excluding staff costs £64,500

#### Special projects

- A. The Froebel Archive for Childhood Studies at the University of Roehampton is a repository that houses special collections, books, records, registers, minutes, photographs, student work and artifacts to create a unique historical record of the Froebel movement in the UK. The Archive offers several online records, including some of Friedrich Froebel's most famous texts in translation. In 2023, these resources were augmented with the digitalization of The Link, the student magazine of the former Froebel Educational Institute.
- B. With the growth in demand for Froebel Trust courses, particularly in Wales, a special project was commissioned to explore and make recommendations relating to three objectives: streamlining course administration; extending course uptake in new regions; and develop an alumni network.

#### Digital resources

The Froebel Trust's publishes a range of digital resources (text, film and audio) all of which are open access, meaning they are freely available on our website. These encompass reports and other outputs from Trust-funded projects, which are housed within our online research and projects library (<https://www.froebel.org.uk/our-research/research-library>) and specially commissioned resources.

- A. Project outputs in 2023-24 included a free online course from the Open University within its award-winning Open Learn site (<https://www.open.edu/openlearn/>). *Young children, the outdoors and nature* course was developed by Dr Jo Josephidou (Open University) and Nicola Kemp (Canterbury Christ Church University) as a consequence of their Trust-funded project about babies' access to outdoor spaces.
- B. Two new titles in the Froebelian Approach pamphlets series were released: Bruce, T. (Oct 2023) *Empowering learning: play, symbols and creativity*; and Denton, A. & Parker, L. (Feb 2024, 2<sup>nd</sup> ed.) *Cooking with young children* (<https://www.froebel.org.uk/training-and-resources/pamphlets>). The series editor was Dr Jane Read.
- C. Three new titles were published within the Froebel Trust's Research Highlights series (<https://www.froebel.org.uk/our-research/research-highlights>): Flewitt, R. & El Gemayel, S. (Sept 2023) *Young children and digital technology at home*; Cooper, M. (Sept 2023) *Risk and challenge in babies' and toddlers' play*; and Pitt, J. (Sept 2023) *Communicative musical play with young children*. The series editor was Dr Sue Robson.

- D. The Froebel Trust's podcast series continued with six new episodes (May 2023 to Feb 2024) featuring educators from across the UK and beyond. Presented by Colin Kelly (Comsteria Limited), discussions featured topics as diverse as block play, men in Early Years, and observation and assessment. Episodes are available on subscription-based services, Spotify, Audible and Apple but transcripts are also freely available on the Trust's website to ensure greater accessibility (<https://www.froebel.org.uk/training-and-resources/podcast>).
- E. Six short films were produced by Emma Baker (Comsteria Limited) and published online: *Cooking with young children* (Ludwick Nursery School, Sept 2023); *Ty Froebel / Froebel House* (Cardiff Met University, Oct 2023); *Family time in nature* (Kay Rowe Nursery School, Dec 2023); *Outdoor learning* (Tiddlers Wraparound, Feb 2024); *Becoming a Froebelian setting* (Ely & Caerau Children's Centre, March 2024) – all available in the Trust's Webinar and Film Library (<https://www.froebel.org.uk/training-and-resources/webinars>); and an *Introduction to the Froebel Trust's Short Courses* (March 2024) – available to watch on the Froebel Trust website or its YouTube channel (<https://www.youtube.com/watch?v=ia4Mjaxv0rY&t=1s>).

## Events

- F. In 2023-24, the Trust hosted its own events and collaborated with partners to provide support for their events. The Trust hosted two webinars, which were recorded for those unable to attend to watch at a later date: *Nurture through nature* (with Dr Alison Moore and Marcella Towler, University College Cork, February 2025) and *Cooking with young children* (Helen Ackerman and Dr Lucy Parker, Ludwick Nursery School, March 2025) plus a live-streamed annual lecture held in Cardiff (see Advocating sub-section).
- G. The Trust partnered with the Edinburgh Froebel Network to organise the 13<sup>th</sup> annual *Gifts for our Future* conference in Scotland (May 2023); with the International Froebel Society to launch the *Bloomsbury Handbook to Friedrich Froebel* (December 2023); and through the Trust's Hub and Spoke programme, supported a future-focused day for Froebelian Leaders in Glasgow (October 2023); and a day of feedback on the Froebel Partnership's *Reflection with Guidance* Tool in Guildford (February 2024).
- H. The Trust was also invited to provide keynote speakers and / or contributors for numerous Early Years events including: the Welsh Government's Equity and Inclusion CPD days (January 2024); Newport Council's Showcase events (February and March 2024); Hammersmith and Fulham Council's CPD for non-maintained settings (February 2024); and Bristol and Beyond Stronger Practice Hub Birth to Three webinar series (February 2024).

## Awards

- I. Froebelian education and the work of the Trust were recognised in national awards. These included: Professional Book of the Year (*Slow Knowledge and the Unhurried Child* by Professor Alison Clark, based on her Trust-funded research project); Trainer of the Year (for Froebel Trust course leader, Dr Stella Louis); and Lifetime Achievement award (for Dr Stella Louis) at the 2023 Nursery World awards. <https://www.nurseryworld.co.uk/news/article/nursery-world-awards-2023-congratulations-to-all-our-winners>

### **5.iii CONNECTING**

Expenditure budget excluding staff costs £20,000

As more educators become Froebel trained and are eager to connect with others, existing Froebelian networks have grown and new networks have formed locally (e.g. University of Erfurt), regionally (e.g. West of Scotland) and nationally (e.g. Ireland). Run by volunteers and driven by the interests and needs of the members of these largely informally constituted groupings of educators, each network has provided different means to encourage sharing, dialogue, reflection, and mutual assistance.

#### **Small grants**

- A. In recognition of the importance of educator-led networks, The Froebel Trust offered small grants to support network activities in 2023-24. Funds ranging from £500 to £1,000 were awarded to: Dumfries & Galloway Froebel Network; E. Renfrewshire Froebel Friends; Glasgow Froebel Network; International Froebel Society China; Orkney Froebel Network; South & West London Froebelian Network; and Froebel South Africa Network. Additional awards were approved for allocation in 2024-25 to six more networks.
- B. In June 2023, the biennial conference of the International Froebel Society took place at Maynooth University in Ireland with participants attending from many different countries across the world. Fifteen bursaries were awarded, which enabled Froebel students at the universities of Edinburgh and Roehampton, and trainee Travelling tutors to take part in this prestigious, international event.

#### **Sector Support**

- C. The National Froebel Network's annual gathering in April 2023 was held at Elm Grove Conference Centre in London. The event was subsidised by the Trust, allowing more than 100 educators to attend in person and many more to join online.
- D. Through its website, monthly newsletters and social media posts, the Trust provides regular information to subscribers and followers about network events, courses, webinars, conferences and other events or resources for those interested in connecting with other Froebelian educators and engaging with the latest research and practice development news.

### **5.iv EVIDENCING & EQUALITY, DIVERSITY AND INCLUSION**

Expenditure budget excluding staff costs £44,000

This strategic programme aims to provide evidence about the characteristics and benefits of a Froebelian approach in education; and to critically examine the Trust's own infrastructure, systems, policies and processes in relation to equality, diversity and inclusion.

## **Froebelian education**

- A. An illustrative case study map was created on the Trust's website to provide searchable examples of Froebelian practice and its benefits across the UK and beyond.
- B. Matter of Focus were commissioned to provide a formative approach to the evaluation of the Trust's major Hub and Spoke programme with interim evidence indicating benefits of the projects' activities for children, families and educators (see Section 6).
- C. An independent evaluator (Felicity Thomas) carried out reviews of the funded courses at the University of Roehampton and Edinburgh to identify the students' learning, growth in understanding and experiences of studying Froebelian education. Reports were presented to the Trust's Education Subcommittee.

## **Equality, Diversity and Inclusion**

- A. The Equality, Diversity & Inclusion (EDI) development plan and Governance Review recommendations continued to be actioned with most items completed by 31 March 2024.
- B. New mechanisms were introduced to gather more robust and useable data to understand how well the Trust's resources are shared across different social groups. These included additional ways of accessing the feedback on courses survey (e.g. a QR code being provided for all face-to-face participants to scan at the end of their training, and a link to the survey being sent with course certificates). Criteria for the award of student bursaries were updated to ensure that the Trust's funding goes to those most in need of support who could show a sustained interest in Early Childhood education and Froebelian principles. Grant application and scrutiny forms included additional questions focused on equality and diversity.
- C. Demographic data collected from course participants and bursary students were compared with the *Survey of Childcare and Early Years Providers* (DfE, 2022). The findings were presented to the EDI Working Group and discussed by the Froebel Trust Council who noted that there had been improvements across all equality measures in terms of representation and there was a determination to continue to improve. In comparison with the national data (for England), fewer participants in the Trust's face-to-face courses who answered the equalities monitoring survey identified as Black British or Asian British; more identified as male; and a similar proportion were under 25 years of age. 9% of the Trust's respondents reported a disability or health condition (not reported by DfE). Data from the Trust's online courses showed a wider diversity of ethnic backgrounds among participants compared with the sector report, although the majority (69%) identified as White British.
- D. Postcodes provided a means to map participation in Froebelian education across the UK and to identify gaps. To address under-representation, targeted offers were made to networks and settings in the areas identified in the map.
- E. The Indices of Multiple Deprivation (English, Welsh and Scottish) were used as one criterion for awarding short course bursaries and were also used to assess deprivation levels of communities served by settings / participants attending Froebel Trust courses. The findings indicated that more participants (55%) were working in the least affluent areas than the most affluent areas (23%).

- F. In March 2024, all members of the Froebel Trust team (trustees, committee members, tutors and staff) took part in training days about anti-discriminatory and inclusive practice with EDI consultant, Karen Chouhan.

## **5.v ADVOCATING**

Expenditure budget excluding staff costs £25,000

### **A cross-cutting theme**

The Trust champions the Froebelian principles and approach to early education for the benefit of young children, their families, and Early Years educators. This includes advocating for and about the value of play as an integrating mechanism in learning and development; the expertise of educators who work with young children; positive, asset-rich understandings of every person, including the parents of young children; and the interconnectedness of everything in the universe.

Advocating work threads through and underpins all our strategic programmes. All our publications, films, podcasts, projects, events and courses help us to advocate for a Froebelian approach to early childhood education and care.

### **Froebel Trust Annual Lecture**

Our autumn lecture provides a high-profile, public facing event that is designed to encompass the key aspects of an inclusive Froebelian worldview.

In 2023, our autumn lecture was given by world leading Froebelian expert, Professor Tina Bruce CBE. For the first time, the event was held before a live audience in Cardiff while being streamed online simultaneously and recorded for later viewing.

The topic of the lecture was play and creativity. It was accompanied by the launch of a new Froebelian Approach pamphlet, which is available to download for free from the Trust's website: [https://www.froebel.org.uk/uploads/documents/FT\\_Empowering\\_Learning\\_Pamphlet\\_INTERACTIVE.pdf](https://www.froebel.org.uk/uploads/documents/FT_Empowering_Learning_Pamphlet_INTERACTIVE.pdf)

## 6. ACHIEVEMENTS

### OUR GOALS FOR 2023-24

The Trust's strategic programmes remain key areas for our work with goals that include:

- More Early Years settings and schools / educators are direct recipients of funds and support.
- Research is relevant and shared in ways that are useful and transformative for practice.
- Understandings of Froebelian education become embedded within degree programmes.
- Our work supports the expansion of Froebelian education in the UK.
- More educators are supported in Froebelian training (than in previous years).
- More early childhood professionals and students engage with the Trust.
- The Froebel Trust is a trusted source of high-quality Early Years information and guidance.

#### 6.i REACH AND ENGAGEMENT

This section depicts our reach in numerical terms - quantity and geographical spread; and then describes engagement, e.g. document downloads, attendance at events, views of our films.

##### Reach

In Table 1 below, numbers reached through Enabling, Informing & Connecting programmes are compared with the previous year.

TABLE 1	Programme Activities	2022-23	2023-24	Growth
<b>Enabling</b>	Froebel Trust Course Places	1,200	1,595	33%
	H&S <sup>1</sup> Workshops, learning circles, festivals & tours	245	303	24%
	H&S Practitioner Inquiry course places	73	82	12%
	H&S Froebelian Leadership course places	48	58	21%
<b>Informing</b>	Newsletter subscribers on 31 March	4,394	5,487	25%
	Social media followers on 31 March	12,039	14,822	23%
	Website users (12 months)	116,800	118,200	1.2%
	FT Podcast downloads (1 <sup>st</sup> 12 months)	0	10,800	N/A
	YouTube – FT channel views	19,600	32,700	67%
<b>Connecting</b>	Networks supported	2	9	350%
	Conference bursaries provided	N/A	15	N/A

Our equality, diversity and inclusion plan actions have included matching Froebel Trust course participants to geographical areas by postcode. In addition to highlighting under-represented areas that we need to target in the future to ensure more equitable access to training, sharing of our resource, and support for educators across the country, this mapping has also demonstrated that Froebel training is reaching many areas of the UK, especially in Wales, England and Scotland. To take part in the Froebel Trust's courses, participants are not required to have any prior qualifications and so the courses are open to all those who are working with young children, regardless of education and professional experience. The map overleaf shows where training has happened in 2023-24.

<sup>1</sup> Hub and Spoke Programme





Froebel trust training participants - clustered pins (UK only). Online course participants are also based outside the UK, for example in Ethiopia, India, Australia, Turkey, Nigeria and USA.

### Engagement

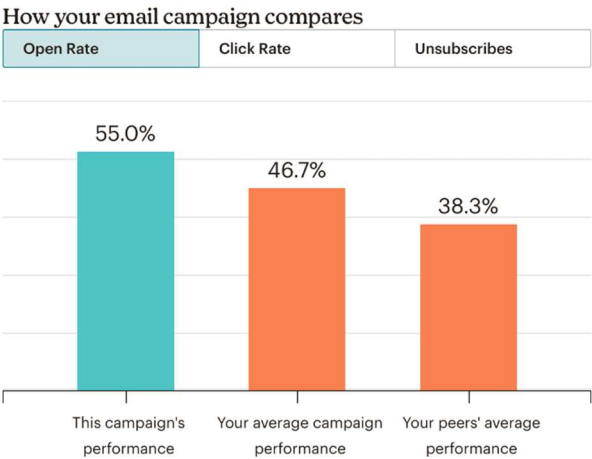
#### Newsletters:

One proxy measure that we use as an indicator of engagement is the open rate for our monthly newsletters, which is consistently more than 40%.

Data compiled by Mailchimp shows that the Trust’s engagement rate compares favourably with similar campaigns carried out by other organisations.

The two charts on the right show the open rate and the click rate respectively for the Trust’s September 2023 newsletter.

In the first, the Trust’s open rate was 15% higher than peers’ average performance; and in the second, the Trust’s click rate was 14% higher.



#### Print Resources:

The number of downloads of our written resources, such as pamphlets, also performed well and the annual total was 12% higher than the previous year, as shown in Table 2 below.

There is a pattern to the downloads, which shows a tendency for higher numbers shortly before and after an event. This suggests that engagement in one Froebel Trust activity (e.g. a webinar) encourages further engagement (i.e. downloading resources) and perhaps vice versa.

<b>TABLE 2: Resource Downloads</b>	<b>2022-23</b>	<b>2023-24</b>	<b>Growth</b>
April 2023	2711	1924	-29%
May 2023	2324	1869	-20%
June 2023	1661	1569	-6%
July 2023	1345	1474	10%
August 2023	1969	1436	-27%
September 2023 (event promoted)	4228	7211	71%
October 2023 (event took place 6 Oct)	2814	4589	63%
November 2023	2360	2853	21%
December 2023	2033	1588	-22%
January 2024 (event promoted)	3447	3045	-12%
February 2024 (event took place 27 Feb)	3590	3291	-8%
March 2024 (event took place on 21 March)	2897	4378	51%
<b>TOTAL</b>	<b>31,379</b>	<b>35,227</b>	<b>12%</b>

#### Audio and Video Resources:

The Trust's online webinar and film library offers access to videos covering diverse topics and all are designed to support and inspire excellent practice in Early Years education. These films were viewed 29,653 times in the year to 31 March 2024.

In late February 2023, the Froebel Trust podcast series was launched. This new venture quickly gained popularity. Many educators reported to us that they enjoyed listening while they were travelling to or from work or out walking. Between 1 April 2023 and 31 March 2024, the podcast episodes were downloaded 10,895 times.

#### Froebel Trust Events:

As in previous years, interest in Froebel Trust events remained high and approximately 60% of those who registered went on to attend the event with an even split of first-time and returning attendees.

We were delighted to invite Prof. Tina Bruce as the guest speaker for the Froebel Trust Autumn Lecture, which was held at the Temple of Peace in Cardiff in October 2023. This was a hybrid event with 2,630 people signing up to join online and 120 people attending in person. The recording was made available to view within 12 hours of the event, achieving over 2800 views in the first six weeks after its release and 3,477 from 7 October 2023 to 31 March 2024. This was by far the highest level of engagement in the Trust's annual lectures, which began in 2018 and have been accessible online since 2020. For comparison, registrations in 2021 and 2022 were 1,969 and 702 respectively.

In February 2024, we co-hosted a webinar with the Early Childhood Studies Degrees Network. *Nurture through Nature* with Dr Alison Moore and Marcella Towler (University College Cork) was an opportunity to hear about their Trust-funded research. There were 310 participants.

In March 2024, *Cooking with Young Children* was presented in a webinar by Dr Lucy Parker and Helen Ackerman with 325 participants attending.

In all cases, there was lively discussion and debate throughout in the 'chat' facility within Zoom and multiple questions posed to the presenters through the Q&A function. Both show high levels of participant interest and engagement. Participants frequently offered suggestions to one another based on their own experiences in practice; or signposted others to additional resources or research that they had found helpful.

### **Froebel Trust Courses:**

We have already reported the increase in Froebel Trust course participants. More than half of those attending face-to-face courses are 'repeat customers' who return to book further training with us. Those who register for the full online course stay with us for 10 months, completing 24 sessions, each lasting 2.5 hours. In most cases, they commit to this training after a full day at work in an Early Years setting. Retention is high and those who do not complete the course generally withdraw due to unavoidable changes in their circumstances.

## **6.ii BENEFITS AND IMPACT**

The Froebel Trust aims to support and inspire early childhood educators who work with young children and their families; those who train the Early Years workforce and those who are studying to enter the profession. The Early Years sector is struggling with numerous challenges, which include underfunding and problems with recruitment and retention of well qualified educators. The Froebel Trust tries to address these problems by offering freely accessible, relevant and transformational resources and events, and subsidised courses that are open to all educators with diverse educational backgrounds and professional experience.

In 2023-24, our courses were a key medium for impact on knowledge, understanding and practice development. Based on the information we gather from course registration forms and extrapolating this to all course places offered, we know that on average educators work with at least 20 children in the working week. This means that any positive impact from their learning about a Froebelian approach will help to extend the learning and development of 30,000 young children.

Our course evaluation forms are consistently positive and provide examples of the differences the training makes. In many cases, the courses are subsidised and educators regularly comment that they would not have been able to afford to take part without this financial help. And that it was "the best training" they had experienced, enabling them to deepen their understandings of how children develop, and how to provide the right environments and support for children's learning to flourish.

"After Froebel training, the feedback I had from some of my most experienced teachers was, 'This was life-changing for me in terms of professional understanding and professional practice.' It's been by far the best training they've ever been on..." Sam Jones, Headteacher, Tremorfa Nursery School.

We also know that a small grant can make a big difference.

For example, a network grant that was provided directly to a group of fewer than ten pedagogical leaders enabled them to offer a series of free webinars. At the first of these, more than 160 educators joined and became de facto members of a burgeoning community of reflective practice in the West of Scotland.

The Trust has also enabled the growth of new networks of leaders, many of whom completed the Froebelian Leadership course that was funded through the Froebelian Futures Hub and have gone on to lead local or regional networks of Froebelian educators. The leadership course aims to equip leaders at any level with a new vision for their work: “to democratise, resource and connect a new wave of Froebelian leadership – spearheaded by practitioners – in order to cultivate the systems change required by an ambitious and rapidly growing focus on children’s rights in the law and early years curriculum”. <https://www.froebel.ed.ac.uk/course/froebelian-leadership/>

The Trust’s grants for Early Years settings can also make a difference to the understanding and confidence of the educators.

Poppies, a nursery in Aberdeenshire, Scotland, undertook a Practice Development Grant project reflecting and examining the ways in which gender and race are integrated in the nursery environment. This was a whole team approach which included modern apprentices, domestic staff and practitioners with varying degrees of experience in early years education.

The team took part in training, reviewed their inclusion policy and encouraged reflection and dialogue amongst staff who commented:

“Initially we found any conversations around race and LGBTQ+ difficult: very quickly we learned the value of being honest and talking openly about diversity and inclusion. We found our training and professional discussions with others really helped us, especially with language and terminology”.

“I feel like I have a truer understanding of racism and its impact on people. I want to be more open with children in conversations and not shy away from any tricky conversations.”

“That this has really opened my eyes to all the different types of bias and discrimination we face, especially gender which I hadn’t considered before.”

“I am feeling inspired to learn more about discrimination and bias and the effects this can have on others.”

Poppies was praised by the Scottish inspectorate for its outstanding Early Learning and Childcare provision and the inspectors recognised the significance of their Froebelian approach in providing high quality experiences for the children. <https://www.pressandjournal.co.uk/fp/education/5801623/inspectors-hail-laurencekirk-nursery-where-the-kids-take-the-lead/>

It is not only young children who benefit; their families are also supported by the thoughtful and nurturing approach to relationships that is central to Froebelian principles. A Froebelian approach recognises that relationships are of central importance in a child's life. Camborne and Truro nursery schools in Cornwall, were awarded a Practice Development Grant to work together to build stronger relationships with parents and carers post-COVID. They reported that 74 local families took part in workshops and developed a stronger sense of connectedness in their relationships with their children and valued the bank of resources shared with them, to support their home learning environment. For example, 91% of families commented that the workshops had encouraged them to play with blocks at home. A member of the teaching staff noted that, "The parents clearly had confidence working with their children but have enjoyed understanding *why* and *how* types of play are benefiting their children."

Families with young children have also benefited from pop-up play cafes in community venues in Scotland, and parents with refugee and asylum-seeking status were specifically invited. Emerging research findings demonstrated how this was helping the families to develop a greater sense of belonging in the community and to connect with other families with children of similar ages. <https://www.froebel.ed.ac.uk/wp-content/uploads/2023/07/Newhaven-Play-Cafe-DSC01099-1-scaled.jpeg>

## **7. STRUCTURE, GOVERNANCE AND MANAGEMENT**

The Froebel Trust is governed by its Memorandum and Articles of Association and is constituted as a charity and a limited company registered in England and Wales.

The Trust's Council of twelve Trustees set the charity's strategic direction. They are appointed through open recruitment and competitive selection of volunteers with characteristics, knowledge and skills needed for the Trust to function legally, efficiently and effectively with attention to inclusion and diversity. Induction for trustees and committee members is provided as a matter of course and training is provided according to individual needs. In 2022, newly appointed Council members took part in courses about the duties of a trustee.

The Council is responsible for all governance matters and provides advice and challenge to the Executive Team. Council delegates some decisions to committees.

The Executive Team manage the day-to-day operations of the Froebel Trust. Led by the Chief Executive Officer (CEO), they develop and deliver the strategy, projects and activities, which are determined and agreed by the Council and committees.

Chaired by trustees, the Trust's five committees' each meet 2-4 times annually with membership constituted by volunteers who bring specialist knowledge and insights in:

- Finance and Governance Committee
- Joint Education and Research Committee
- Communications and Public Engagement Committee
- Education Subcommittee
- Research Subcommittee

From time to time, short-life working groups are convened to carry out tasks that require immediate attention and swift completion; for example, planning the structure and content of a conference. All report and are accountable to Council.

The Chief Executive Officer (CEO) attends all meetings of Council, committees and working groups and is accountable to the Trustees. She leads the Trust's Executive Team, who work together to turn strategic plans into practice. The Executive Team comprises 4 full-time and 1 part-time employee including the CEO with a total full-time equivalent staffing resource of 4.4.

Duties include the management and delivery of: financial matters, risk monitoring and mitigation, policies, personnel matters, data security and privacy, grants cycles, monitoring and evaluation, inclusion and diversity, news and other communications, Council and committee functions, contracts, reporting requirements, publishing through the web and social media including design and print, training and events, resources development, servicing committees, general administration and communicating with trustees, volunteers, applicants, partners, tenants, asset managers and other advisors.

The Chair of Trustees, Treasurer and committee chairs are in regular contact with the Executive team to oversee and support their work. Specialist advice (e.g. legal) is sought as needed.

Trustees, volunteers, tutors, partners and other interested parties receive newsletters three times a year and more regular communications to keep them up-to-date with the latest work. News items are published frequently via the website and social media.

### **7.i Governance Review and Training**

Internal performance reviews take place annually. In 2023-24, Council continued to undertake the recommendations of an independent governance review (March 2023) as a matter of good practice. By 31 March 2024, of the 47 recommendations, 30 had been completed, 13 were well underway and 4 were to be actioned.

A comprehensive assessment of Conflicts of Interest policy and practice was completed and was followed with training for all members of the Trust's team.

The training days, which took place in March, were attended by three quarters of all trustees, committee members, staff and tutors, were recorded for those who had been unable to attend and the recordings were integrated to the Trust's induction pack. The training also covered finance and anti-discriminatory practice.

## **8. PRINCIPAL RISKS AND UNCERTAINTIES**

The trustees are responsible for the risk and control framework within which the Trust operates. To this end, the Risk Register is initially examined in full annually by the Finance and Governance Committee. Subsequently, high level risks are presented to Council for discussion. This process helps to ensure that the principal risks to the delivery of the Trust's objectives are identified and appropriate strategies are in place to manage those risks. The trustees delegate to the CEO the day-to-day exercise of the controls which mitigate the risks faced by the Trust. The CEO reviews the risk register and members of the Executive Team are invited to contribute to risk identification, management and review for their areas of responsibility.

The Trust's key risks and controls can be found in Appendix 1 (page 21).

## **9. LOOKING AHEAD – FUTURE PLANS**

We continue to assess and improve all our systems and practices and do so with particular attention to equality, diversity and inclusion.

The growth in demand for the Froebel Trust's courses prompted a commissioned project (February to June 2024) to assess the efficiency of administrative processes, the potential for development of additional training, and the creation of an alumni network. The project's findings and recommendations will be reviewed and lead to actions for improvement during 2024-25.

The biennial grants competition opened for applications from February. The Trust has developed a rigorous assessment process, which culminates with the announcement of awards in summer 2024 and new projects (Open Call Research, Practice Development and Action Research) will begin. In addition, six small grants for Froebelian networks have been awarded for activity taking place before 31 March 2025.

The Hub and Spoke programme will reach the end of its three-year funded period. Multiple outputs from the project will be shared to disseminate evidence and learning from the Froebel Partnership and Froebelian Futures projects. Trustees will evaluate the effectiveness and impact of the programme in comparison with the Trust's more traditional funded programmes of research and practice development.

Several events are planned for the coming year. These include a webinar in July with Dr Stella Louis and Hannah Betteridge who will present their new book entitled, *Let's talk About Race in the Early Years*. In November, Professor Alison Clark will give the Trust's 2024 annual lecture, accompanied by the launch of a new Froebelian Approach pamphlet on *Slow Pedagogy* (Alison Clark and Donna Green), following the intense interest in this topic – as demonstrated by the consistently high numbers of visits to Trust's information about Professor Clark's work; and the development of a Slow Pedagogy module at the University of Edinburgh.

A number of pamphlets are in production. These popular resources will continue to be freely available to download from the Trust's website, where further new films and podcasts will also be accessible.

Through our partnership with the Early Childhood Studies Degrees Network we will assess the impact of Froebel training for lecturers and their degree students.

The Communications Committee will continue to monitor the effectiveness of our social media activity and digital resources and develop plans and projections for maximum reach and engagement on the basis of varied amounts of resource allocation.

Trustees will meet for their annual strategy away day to ensure that programmes, priorities, and resources continue to be marshalled to the best effect for public benefit.

The Trust's property in Holland Park, which is no longer rented, will be marketed for sale with proceeds reinvested.

## Appendix 1: Principal Risks and Controls

Strategic Risks	Current Controls
<b>A) Inability to sustain long-term financial viability</b> <i>Risks due to e.g. poor investment returns, crystallization of pension liability, excess expenditure, poor financial controls, theft / fraud, rental property problems including fall in valuations, litigation, and fines arising from failure to comply with regulations (NB some controls identified in section A also apply to E below but have not been repeated)</i>	<ol style="list-style-type: none"> <li>1. Clear reserves policy linked to long-term financial viability</li> <li>2. Mixed income sources</li> <li>3. Expenditure driven by strategy with spending limits monitored &amp; justified</li> <li>4. Regular liaison with investment managers (IM)</li> <li>5. Advice sought from IMs about optimal time / amounts for cash withdrawals</li> <li>6. IM contract reviewed every 5 years</li> <li>7. Review of investment portfolio &amp; risk levels at least once a year</li> <li>8. Investments in mixed portfolio</li> <li>9. Rental property review &amp; valuation every 2 years</li> <li>10. Scope alternative to property rental as back-up</li> <li>11. Robust financial procedures reviewed annually</li> <li>12. Pension liabilities managed and reviewed annually</li> <li>13. Public liability insurance in place &amp; reviewed annually</li> <li>14. Compliance with charity regulations monitored through audit process &amp; advice from auditors</li> <li>15. Projects' progress &amp; expenditure monitored closely, issues reported to FTC</li> <li>16. Liquidity and cash-flow monitored closely &amp; reported to FGC / FTC</li> <li>17. Annual audit &amp; advice from auditors ensure good practice</li> </ol> <p>Suitably qualified staff, trustees &amp; sub-contractors manage and monitor financial matters &amp; review procedures</p>
<b>B) Ineffective impact of charitable activities</b> <i>Risks due to e.g. charitable activities fail to deliver desired outcomes such as influencing ECE policy, increased number of Froebel trained staff / settings, lack of positive change for children &amp; families</i>	<ol style="list-style-type: none"> <li>1. Grant-making linked to charitable aims &amp; plan for outcomes &amp; benefits</li> <li>2. Compliance with Charity Commission requirements and use of guidance</li> <li>3. Support given / collaboration used to extend impact</li> <li>4. All charitable activities monitored and outcomes data collected</li> <li>5. MEL framework developed and implemented to identify benefits / impact of charitable activity</li> <li>6. MEL framework aligned with strategic goals, reviewed annually</li> <li>7. Evaluation embedded in organisational strategic plans, reviewed annually</li> <li>8. Expectations for grant-holders outlined in application and reporting documents</li> <li>9. Close liaison with partners</li> <li>10. Changes or issues arising in projects / programmes identified early, mitigating activity proposed, reviewed and approved</li> <li>11. Impact identified and published annually in Trustees' report for Charity Commission and FT Annual Review</li> </ol> <p>Staff, trustees &amp; sub-contractors are suitably qualified to manage, review and disseminate impact evaluation activity</p>
<b>C) Reputational damage</b> <i>Risks arising from e.g. failure to uphold charitable objects; poor representations of Froebelian education or associations with</i>	<ol style="list-style-type: none"> <li>1. Charitable objects clearly stated, shared and espoused by all involved in FT charitable activities</li> <li>2. Induction packs &amp; conversations for new staff, trustees &amp; volunteers</li> <li>3. Projects and activities monitored for match with charitable objects</li> <li>4. Public-facing statements and images vetted before release</li> <li>5. Social media policy shared with staff, trustees, volunteers &amp; partners</li> <li>6. Social media posts avoid engaging in antagonistic political debate</li> </ol>



Strategic Risks	Current Controls
<p><i>negative outcomes, bad reviews of training or partners' courses / projects or educational provision, negative press coverage, inability to fulfil contractual responsibilities, poor or irresponsible practice by staff, trustees and other volunteers, failure to comply with legislation;</i></p> <p><i>failure to follow conflicts of interest or loyalty policy and procedures; inappropriate or risky lobbying activity;</i></p> <p><i>failure to / perceived failure to follow good EDI practice</i></p>	<ol style="list-style-type: none"> <li>7. Froebelian principles / practice exemplified in accessible documents</li> <li>8. Training monitored and evaluated by independent Froebelian expert(s); course feedback from students reviewed regularly and negative comments followed up</li> <li>9. CPD for course tutors, endorsement process for travelling tutors</li> <li>10. Project reports peer reviewed prior to publication</li> <li>11. Liquidity ensures fulfilment of contracts</li> <li>12. Froebelian network provides informal role in monitoring, moderating &amp; supporting external environment (e.g. EY settings) and FT publications</li> <li>13. Staff 1-1 meetings, team meetings, training ensure mission and objectives are shared</li> <li>14. Trustees, staff maintain awareness / training relating to legislation</li> <li>15. Strict adherence to conflicts of interest or loyalty policy (with biennial review of policy)</li> <li>16. All are clear about the Trust's communications and social media policy and do not engage in lobbying in the Trust's name</li> <li>17. EDI Working Group monitors progress &amp; reports to FTC</li> <li>18. EDI data collected and analysed regularly</li> <li>19. EDI questions added to grants applications, scrutiny and interviews</li> <li>20. Equality Impact assessment questions included in application forms</li> <li>21. EDI standing item on committee agendas</li> <li>22. Transparency in publishing information about EDI efforts and results</li> </ol>
<p><b>D) Capacity overload</b>  <i>Risks due to small management team, management stretch, busy trustees and volunteers, heavy reliance on small number of individuals to carry out FT activities, aspirations exceed human resource</i></p>	<ol style="list-style-type: none"> <li>1. CEO and FTC monitor workload</li> <li>2. All staff have clear objectives and workload expectations with regular reviews</li> <li>3. Team meetings to monitor work patterns and workloads with practice of mutual support and sharing burden in busy times</li> <li>4. Agendas and papers for trustee meetings kept to a manageable size and meetings are effectively chaired</li> <li>5. Number of Council and committee meetings are monitored for manageability</li> <li>6. New initiatives are counter-balanced with reductions in other activities and / or provision of additional resource</li> <li>7. Small teams (staff, trustees and volunteers) allow for excellent communication and knowledge of one another's roles and responsibilities</li> <li>8. Council and Committee annual self-evaluations identify any problematic areas to address</li> <li>9. All Trustees take part in committees to share the responsibilities &amp; burden across the Council as a whole</li> <li>10. Members of Froebel Networks and committee volunteers provide additional capacity and support</li> <li>11. Staff entitled to TOIL for necessary (pre-approved) evening/weekend work; reasons for overtime are reviewed in 1-1 discussion</li> <li>12. Annual appraisals ensure suitable workloads &amp; identify issues</li> <li>13. Manage Short Course bookings carefully in line with tutor capacity</li> </ol>
<p><b>E) Compliance breaches</b>  <i>Risks associated with non-compliance with regulations &amp; requirements from e.g.</i></p>	<p>See additional controls under A, B and C above and:</p> <ol style="list-style-type: none"> <li>1. Annual review / reminder of Charity Commission regulations and governance guidance at Strategy Away Day</li> <li>2. Charity Commission updates shared with Trustees</li> <li>3. Annual review of all FT policies and associated procedures</li> </ol>

Strategic Risks	Current Controls
<i>Charities Acts of 2011, 2016 &amp; 2017 Charity Governance Code, Data Protection laws etc. leading to prosecution, fines, reputational damage etc.</i>	<ol style="list-style-type: none"> <li>4. Staff GDPR training updated every 2 years or more frequently if changes necessitate this</li> <li>5. Monthly cyber security checks by staff</li> <li>6. 'Deep dive' cyber security checks undertaken once a year by UofR IT staff</li> <li>7. Data protection processes reviewed quarterly in team meetings and password protected folders used for sensitive information</li> <li>8. Staff, trustees, volunteers, tutors refrain from political lobbying in the Trust's name.</li> </ol>
<b>F). Loss or damage resulting from poor internal systems from risks such as cyber-attacks, breaches or breakdown of financial procedures</b>	<ol style="list-style-type: none"> <li>1. Financial Procedures annual review (incl multi-layer approvals process for all payments with 3-step approval for payments exceeding £40k) Limits on payments authorised by CEO</li> <li>2. Internal systems reviewed in annual audit</li> <li>3. Waverton Investment Management policy adopted for all financial transactions and decision-making</li> <li>4. Bank and investment accounts limited to named individuals with MFA / password protected access</li> <li>5. Payments to new accounts double checked before transfer of any funds</li> <li>6. Named Business Advisor at Barclays provides advice and guidance on good banking practices</li> <li>7. Ongoing training and CPD for Finance Manager</li> <li>8. Suitably qualified staff / trustees oversee finance</li> <li>9. IT consultants provide advice, check systems</li> <li>10. GDPR &amp; cyber security audits annually (internal)</li> </ol>

## 10. FINANCIAL REVIEW

The Trust's total gross assets on 31 March 2024, including investments, property, debtors and cash, was £23,816,878 (2023 - £21,278,128). The total liabilities of the Trust on 31 March 2024 of £508,178 (2023 - £453,660) include grants payable of £221,139 (2023 - £307,706) of which £80,000 (2023 - £129,360) is due outside of one year and £141,139 (2023 - £178,346) is due within one year. The net assets of the Trust at the balance sheet date were £23,617,545 (2023 - £21,451,956).

The charity derived an income from investments in the year ended 31 March 2024 of £568,198 (2023 - £539,237) and income from other sources of £107,003 (2023 - £79,718).

Total expenditure for year was £1,112,067 (2023 - £1,199,826).

The Trust also recognised net gains on revaluation of investments of £2,513,613 (2023 – losses of £634,579) and actuarial gains of £31,000 (2023 – £334,000) with respect to the valuation of the net pension scheme liability of the Trust.

The overall net increase in funds during the year was £2,126,589 (2023 – decrease in funds of £820,305).

### Investment Powers and Policy

Under its Articles of Association, The Trust has the power to invest in any way the Council directs. Cash balances are deposited with a view to maximising interest income while minimising risk of capital loss.

Waverton Investment Management is the discretionary fund manager responsible for day to day management of the Froebel Trust's investment funds on behalf of the charity with a long term objective of the consumer price inflation (CPI) + 3.5% over a rolling seven year period. The Trust's investment policy is designed to target above inflation returns over the medium term (multiple years averaged out) but is not designed to remove the risk and volatility of returns in respect of any single financial year.

Furthermore, Waverton manages the portfolio with specific ethical restrictions in place, which restricts investments in companies with involvement in tobacco production, pornography, oil and gas, gambling and armaments. This is in addition to the integration of environmental, social and governance (ESG) factors into the security selection process.

### Reserves policy and position

At 31 March 2024, the Froebel Trust held total funds of £23,617,545 (2023 - £21,451,956), all of which was unrestricted. The Trust has adopted a policy of deploying funds annually in support of its strategy such that the long-term inflation protected value of its assets are maintained. This is a medium term (multi-year) target and in any given year there may well be under or overspend based on a) the above or below medium-term trend returns achieved on the investment portfolio and/or b) the Trust's decisions to invest higher or lower levels of charitable expenditure over a short period to take based on specific opportunities and priorities for charitable activity. Annually the Trust reviews its medium-term performance against these targets and reassess the appropriate medium term expenditure targets that should be met to be consistent with this medium-term reserves' strategy. The level of reserves desired by the trustees is very much linked to this strategy. Management accounts are presented to each ordinary meeting of the Council, to demonstrate current available funds, liquidity, and investment performance, after all known commitments have been taken into account.

The Trust aims to ensure that at least 6 months of expected commitments are held in cash and other liquid assets.

In accordance with the Trust's approved Financial Procedures, a sum of liquidity equivalent to six months' projected expenditure for grants and core operational costs, less expected rental and investment portfolio income, is held within a separate bank deposit account. On 31 March 2024, the liquidity position was secure, with the balance of cash held (net of overdraft facilities) of £297,423, which is greater than forecast expenditure and grant payments to 30 September 2024.

## **Trustees**

The following trustees were in office at the date of approval of the financial statements and served throughout the year.

Sharon COLILLES	Mark NEALE (Chair)
Fufy DEMISSIE	Lucy PARKER
Jean-Noël EZINGEARD	Michael PEARSON (Treasurer)
Catriona GILL	Paula LESTER (Previously PHILLIPS)
Kate HOSKINS	Holli WILLIAMS
Abha HURRI	Lilah WOODS

The trustees are appointed for a term of four years and are eligible for re-election. The Trust has agreed a recruitment and induction policy for the appointment of Trustees. This policy sets out the skills and experience that are needed on the Council so that the Trust's objectives are taken forward effectively. These skills and experience include knowledge and understanding of Froebelian principles gained through teaching and research and disciplines such as finance, law and public administration essential to the orderly running of the Trust.

All initial appointments to the Trust Council are made on the basis of open competition by a panel of serving trustees.

None of the trustees received any remuneration from the Trust in respect of their services during the year ended 31 March 2024 (2023 – none).

The trustees determine the remuneration of the Chief Executive annually on the advice of the Chair and Treasurer in the light of information about market rates for similar roles within charities of similar size and complexity as the Froebel Trust. Details of remuneration of key management personnel are set out in note 4 to the financial statements.

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The Trustees, (who are also the directors of The Froebel Trust for the purposes of company law), are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Principles).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the income and expenditure of the Charity for that period. In preparing these financial statements, the trustees are required to:

- ♦ select suitable accounting policies and then apply them consistently;
- ♦ observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- ♦ make judgments and estimates that are reasonable and prudent;

- ♦ state whether applicable United Kingdom 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 Charity will continue to operate.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity 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 Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

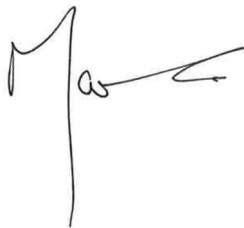
Each of the trustees confirm that:

- ♦ So far as the Trustee is aware, there is no relevant audit information of which the Charity's auditor is unaware; and
- ♦ The Trustee has taken all the steps that he / she ought to have taken as a Trustee and director in order to make himself / herself aware of any relevant audit information and to establish that the company'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 are responsible for the maintenance and integrity of the corporate and financial information included on the Charity's websites. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Trustees and signed on their behalf by:

A handwritten signature in black ink, appearing to be 'Mark Neale', with a stylized flourish at the end.

Mark Neale  
Chair of Trustees  
Date: 30th September 2024

## Independent auditor's report

### 11. Independent auditor's report to the members of The Froebel Trust

#### Opinion

We have audited the financial statements of The Froebel Trust (the 'charitable company') for the year ended 31 March 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at 31 March 2024 and of its income and expenditure for the period then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

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

#### Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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 trustees are responsible for the other information. The other information comprises the information included in the annual report, including the trustees' report, other than the financial statements and our auditor's report thereon. 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.

## Independent auditor's report

### **Other information** (continued)

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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

- ◆ the information given in the trustees' report, which is also the director's report 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 trustees' report, which is also the directors' report for the purposes of company law, has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

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

- ◆ adequate accounting records have not been kept; or
- ◆ the financial statements are not in agreement with the accounting records and returns; or
- ◆ certain disclosures of trustees' remuneration specified by law are not made; or
- ◆ we have not received all the information and explanations we require for our audit; or
- ◆ the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 25, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## Independent auditor's report

### **Auditor's responsibilities for the audit of the financial statements**

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

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations; and
- ◆ we obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006).

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ tested journal entries to identify unusual transactions; and
- ◆ assessed whether judgements and assumptions made in determining accounting estimates were indicative of potential bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ reading the minutes of meetings of those charged with governance; and
- ◆ enquiring of management as to actual and potential litigation and claims.



## Independent auditor's report

### **Auditor's responsibilities for the audit of the financial statements** (continued)

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Use of our report**

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



3 October 2024

Shachi Blakemore, Senior Statutory Auditor  
for and on behalf of Buzzacott LLP, Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL

Statement of financial activities  
(incorporating an Income and Expenditure Account) Year ended 31 March 2024

	Notes	2024 £	2023 £
<b>Income from:</b>			
Investments	1	568,198	539,237
Other sources		107,003	79,718
<b>Total income</b>		<b>675,201</b>	<b>618,955</b>
<b>Expenditure on:</b>			
Raising funds			
. Investment management costs		98,238	91,303
Charitable activities			
. Enabling, Informing, Connecting, Evidencing, Advocating	2	1,013,829	1,108,523
<b>Total expenditure</b>		<b>1,112,067</b>	<b>1,199,826</b>
<b>Net (expenditure) for the year before other investment gains and losses</b>		<b>(436,866)</b>	<b>(580,871)</b>
Net gains on revaluation of investment property		39,000	96,000
Net gains/ (losses) on revaluation and disposal of listed investments	8	2,513,613	(634,579)
Realised gains/ (losses) on foreign exchange movements		18,842	(34,855)
<b>Net income/ (expenditure)</b>	3	<b>2,134,589</b>	<b>(1,154,305)</b>
<b>Other recognised gains</b>			
Actuarial gain on the defined benefits pension scheme	12	31,000	334,000
<b>Net movement in funds</b>		<b>2,126,589</b>	<b>(820,305)</b>
<b>Reconciliation of funds:</b>			
Fund balances brought forward at 1 April		21,451,956	22,272,261
<b>Fund balances carried forward at 31 March</b>		<b>23,617,545</b>	<b>21,451,956</b>

All of the Charity's activities derived from continuing operations during the above two financial periods.

All recognised gains and losses are included in the above statement of financial activities.

All income, expenditure and other recognised gains and losses in both financial periods were unrestricted.

## Balance sheet as at 31 March 2024

	Notes	2024 £	2024 £	2023 £	2023 £
<b>Fixed assets</b>					
Intangible assets	6		-		-
Tangible assets	7		145,120		145,868
Investments	8		23,671,758		21,132,260
			<b>23,816,878</b>		21,278,128
<b>Current assets</b>					
Debtors	9	19,308		37,381	
Cash at bank and in hand		352,537		684,107	
		<b>371,845</b>		721,488	
<b>Liabilities</b>					
Creditors: amounts falling due within one year	10	(428,178)		(324,300)	
<b>Net current (liabilities)/ assets</b>			<b>(56,333)</b>		397,188
Creditors: amounts falling due after more than one year	11		(80,000)		(129,360)
<b>Net assets excluding Pension liability</b>					
			<b>23,680,545</b>		21,545,956
Defined benefit pension scheme liability	12		(63,000)		(94,000)
<b>Total net assets</b>			<b>23,617,545</b>		21,451,956
<b>The funds of the charity:</b>					
<b>Funds and reserves</b>					
<i>Unrestricted funds</i>					
. General funds			23,617,545		21,451,956
			<b>23,617,545</b>		21,451,956

Approved by the trustees and signed on their behalf by



Mark Neale  
Chair of Trustees

Date: 30 September 2024

The Froebel Trust, Company Registration No. 07862112 (England and Wales)

Statement of cash flows 31 March 2024

	Notes	2024 £	2023 £
<b>Cash inflow from operating activities:</b>			
Net cash used in operating activities	A	(924,127)	(981,966)
<b>Cash flows from investing activities:</b>			
Dividends, interest and rents from investments		568,048	539,237
Acquisition of tangible fixed assets		(3,600)	—
Proceeds from the disposal of investments		3,020,954	5,105,142
Purchase of investments		(3,595,842)	(4,121,593)
<b>Net cash provided by investing activities</b>		<b>(10,440)</b>	<b>1,522,786</b>
<b>Change in cash and cash equivalents in the year</b>		<b>(934,567)</b>	<b>540,820</b>
<b>Cash and cash equivalents at start of the period</b>	B	<b>1,447,590</b>	<b>993,169</b>
<b>Cash and cash equivalents at end of the period</b>	B	<b>513,023</b>	<b>1,447,590</b>

Notes to the statement of cash flows for the period

**A Reconciliation of net movement in funds to net cash used in operating activities**

	2024 £	2023 £
<b>Net income (expenditure) (as per the statement of financial activities)</b>	<b>2,165,589</b>	<b>(1,154,305)</b>
<b>Adjustments for:</b>		
Depreciation charge	4,348	6,528
(Gains)/ losses on investments	(2,532,455)	634,579
Gains on revaluation of investment property	(39,000)	(96,000)
Dividends, interest and rents from investments	(568,198)	(539,237)
Defined benefit pension scheme cost less contributions payable	(31,000)	(29,000)
Defined benefit pension scheme finance cost	4,000	11,000
Decrease in debtors	18,071	9,316
Increase in creditors	54,518	88,752
<b>Net cash used in operating activities</b>	<b>(924,127)</b>	<b>(981,966)</b>

**B Analysis of cash and cash equivalents, and net debt**

	2024 £	2023 £
Cash at bank and in hand	352,537	684,107
Reconciling cash items within other creditors	(55,114)	—
Cash held by investment managers (note 8)	215,600	763,481
<b>Total cash and cash equivalents and net debt</b>	<b>513,023</b>	<b>1,447,588</b>

## Principal accounting policies 31 March 2024

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

### **Basis of preparation**

These financial statements have been prepared for the year ended 31 March 2024.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are presented in sterling and are rounded to the nearest pound.

### **Critical accounting estimates and areas of judgement**

Preparation of the financial statements requires the trustees and management to make significant judgements and estimates.

The items in the financial statements where these judgements and estimates have been made include:

- ◆ the estimates of the useful economic lives of tangible fixed assets used to determine the annual depreciation charge;
- ◆ judgements made by trustees in estimating the fair values attributed to the charity's investment properties;
- ◆ the present value of the Local Government Pension Scheme defined benefit liability as provided by the actuary; and
- ◆ estimates over future income and expenditure cash flows for the purpose of determining going concern.

### **Assessment of going concern**

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due and therefore that there are no concerns regarding the Trust's ability to continue as a going concern.

**Assessment of going concern** (continued)

The most significant areas of judgement that affect items in the financial statements are detailed above. With regard to the next accounting period, the year ending 31 March 2025, the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment markets.

**Income recognition**

Income is recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty. Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor or funder has specified that the income is to be expended in a future accounting period.

**Expenditure recognition**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. All expenditure is stated inclusive of irrecoverable VAT and accounted for on an accruals basis.

The majority of expenditure is directly attributable to specific activities and any apportionment between headings is negligible. The classification between expenditure headings is as follows:

- a. Expenditure on raising funds include direct costs and overheads associated with generating income for the charity, principally the cost of managing the charity's investments.
- b. The costs of activities in furtherance of the charity's objects comprise expenditure on the charity's primary charitable purposes as described in the trustees' report. Such costs include those associated with the provision of information, guidance and advice.

It also includes the governance costs of the charity which comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

**Intangible fixed assets**

Amortisation is provided at the following rates in order to write the cost of each asset off over its estimated useful life, amortisation is charged from the date the asset comes in to use:

- |                              |       |
|------------------------------|-------|
| ◆ Grants management software | 33⅓ % |
|------------------------------|-------|

**Tangible fixed assets**

All fixed assets costing more than £1,000 and with an expected useful life exceeding one year are capitalised. Depreciation is calculated so as to write off the cost of tangible fixed assets, less their estimated residual values, on a straight line basis at the following rates:

- |                         |       |
|-------------------------|-------|
| ◆ Buildings             | 2%    |
| ◆ Furniture & equipment | 20%   |
| ◆ Office equipment      | 33⅓ % |

### **Fund accounting**

The unrestricted funds, comprise those monies which may be used towards meeting the charitable objectives of the charity at the discretion of the trustees.

The restricted funds comprise monies received which may only be applied in line with the conditions imposed by the donor.

### **Investments**

Investments, both listed and investment properties, are valued at market value at the balance sheet date. Realised gains and losses on investments are calculated by comparing the sale proceeds with the market at the end of the previous financial year. Unrealised gains and losses represent the difference between the market value of investments held at the end of the financial year with their value at the beginning of the year or with their cost if purchased subsequently.

### **Debtors**

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

### **Cash at bank and in hand**

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment. Bank overdrafts are shown within current liabilities.

### **Creditors and provisions**

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

### **Pension schemes**

#### ***Defined benefit pension scheme***

The Froebel Trust contributes to a defined benefit scheme with the London Pensions Fund Authority (LPFA). The defined benefit pension scheme current service costs and the net finance cost for the year are charged to the Statement of Financial Activities within pension costs. Actuarial gains and losses are recognised immediately within other recognised gains and losses.

The defined benefit scheme assets are measured at fair value at the balance sheet date. Liabilities are measured on an actual basis at the balance sheet date using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term to the scheme liabilities. The resulting defined benefit asset or liability is presented separately after other net assets on the face of the balance sheet.

This scheme is closed to new employees.

**Pension schemes** (continued)

***Defined contribution pension scheme***

New employees are all eligible to join the charity's defined contribution pension scheme.

Contributions in connection with the charity's defined contribution scheme are charged to the statement of financial activities in the period in which they become payable to the scheme.



Notes to the financial statements Year ended 31 March 2024

**1 Income from investments and interest receivable**

	Unrestricted funds	
	2024 £	2023 £
Rental income from investment properties	<b>123,678</b>	122,549
Interest on cash balances	<b>5,992</b>	1,856
Investment income	<b>438,528</b>	414,832
	<b>568,198</b>	539,237

**2 Expenditure on charitable activities: information, guidance and advice**

	Unrestricted funds	
	2024 £	2023 £
Staff costs (note 4)	<b>266,988</b>	257,851
Property expenses	<b>11,625</b>	11,925
Grants payable (see below)	<b>586,106</b>	721,914
Depreciation & Amortisation (notes 6,7)	<b>4,348</b>	6,528
Pension finance costs (note 12)	<b>4,000</b>	11,000
Bad debt expense	<b>59,818</b>	52,876
Governance costs	<b>56,365</b>	30,455
Other expenses	<b>24,579</b>	15,974
<b>Total funds</b>	<b>1,013,829</b>	1,108,523

## Notes to the financial statements Year ended 31 March 2024

### 2 Expenditure on charitable activities: information, guidance and advice (continued)

The following project commitments and grants were awarded during the year:

	Unrestricted funds	
	2024 £	2023 £
<b>Project work:</b>		
Hub and spoke project	299,920	259,502
Froebel Trainers - FT short training course	134,094	122,198
Informing Programme	59,418	47,989
Evidencing Programme	27,431	42,761
Advocating Programme	10,856	6,562
Connecting Programme	20,746	10,691
	<b>552,465</b>	489,703
<b>Grants:</b>		
Practitioner Support & PLR grants	-	28,289
<b>Research grants</b>		
University of Western Cape, South Africa	-	5,000
University of Stirling, Scotland	-	4,904
Aristotle University of Thessaloniki, Greece	-	4,630
Cardiff Metropolitan University, Wales	-	24,399
Middlesex University	-	23,434
CCCU	-	49,946
		43,243
University of Roehampton bursaries	5,000	31,000
Total grants payable to institutions	<b>5,000</b>	214,845
Total grants awarded (c/f to next page)	<b>557,465</b>	704,548

**2 Expenditure on charitable activities: information, guidance and advice (continued)**

	Unrestricted funds	
	2024 £	2023 £
Total grants awarded (b/f from previous page)	557,465	704,548
PhD, MSc and MA bursaries paid to individuals . PhDs and MA bursaries	65,000	35,309
Total grants payable	622,465	739,857
Grants and projects previously committed to but no longer required		
- - Research grants (2019-20)	(13,209)	(13,661)
- Research grants (2022)	(540)	-
. Practitioner Support & PLR grants (2021)	(22,610)	(4,282)
	(36,359)	(17,943)
<b>Expenditure for the period</b>	<b>586,106</b>	<b>721,914</b>

**3 Net income (expenditure) for the period**

This is stated after charging:	2024 £	2023 £
Staff costs (note 4)	266,988	257,851
Auditor's remuneration (including VAT)		
Audit services	9,756	12,000
Depreciation & Amortisation (note 6,7)	4,348	6,528

**4 Staff costs and remuneration of key management personnel**

	2024 £	2023 £
Staff costs during the year were as follows:		
Wages and salaries	218,723	204,567
Social security costs	23,768	22,722
Pension costs	24,497	30,514
Recruitment costs	-	48
	266,988	257,851

One employee earned £60,000 per annum or more (including taxable benefits but excluding employer pension contributions in the banding £70,001 to £80,000) during the period (2023: one employee in the banding £70,001 to £80,000).

The average number of employees during the year on a full time equivalent basis was 5 (2023: 5).

## Notes to the financial statements Year ended 31 March 2024

### 4 Staff costs and remuneration of key management personnel (continued)

The average number of employees analysed by function was:

	2024 £	2023 £
Enabling, Informing, Connecting, Evidencing & Advocating	5	5
	5	5

The trustees consider that they, together with the Chief Executive comprise the key management personnel of the charity. The total remuneration of the charity's key management personnel (including employer's national insurance and pension contributions) for the year was £95,913 (2023 - £91,769).

No trustee received any remuneration in respect of their services as a trustee during the period (2023 – no remuneration). A total of £523 was reimbursed to trustees during the period, in connection with travel expenses. (2023 – no expenses paid).

### 5 Taxation

The Froebel Trust is a registered charity and, therefore is not liable to income tax or corporation tax on income derived from its charitable activities as it falls within the various exemptions available to registered charities.

### 6 Intangible fixed assets

	Grants management software £
<b>Cost</b>	
At 1 April 2023	62,549
Additions	-
At 31 March 2024	62,549
<b>Amortisation</b>	
At 1 April 2023	62,549
Charge for year	-
At 31 March 2024	62,549
<b>Net book values</b>	
At 31 March 2024	-
At 31 March 2023	-

## Notes to the financial statements Year ended 31 March 2024

### 7 Tangible fixed assets

	Land and buildings £	Fixtures and fittings £	Office equipment £	<b>Total £</b>
<b>Cost</b>				
At 1 April 2023	187,410	72,787	4,821	<b>265,018</b>
Additions	—	—	3,600	<b>3,600</b>
<b>At 31 March 2024</b>	<b>187,410</b>	<b>72,787</b>	<b>8,421</b>	<b>268,618</b>
<b>Depreciation</b>				
At 1 April 2023	41,542	72,787	4,821	<b>119,150</b>
Charge for year	3,748	—	600	<b>4,348</b>
At 31 March 2024	<b>45,290</b>	<b>72,787</b>	<b>4,821</b>	<b>123,498</b>
<b>Net book values</b>				
At 31 March 2024	142,120	—	3,000	<b>145,120</b>
At 31 March 2023	145,868	—	—	<b>145,868</b>

At 31 March 2024, the charity's freehold property was subject to a legal charge in favour of the London Pensions Fund Authority. Further details are provided in note 12 to the financial statements.

### 8 Investments

At 31 March fixed asset investments comprised:

	<b>2024 £</b>	<b>2023 £</b>
Freehold investment properties (see below)	<b>3,315,000</b>	3,276,000
Listed investments and cash held for re-investment	<b>20,356,758</b>	17,856,260
	<b>23,671,758</b>	21,132,260
	<b>2024 £</b>	<b>2023 £</b>
<b>Freehold investment properties</b>		
Balance brought forward	<b>3,276,000</b>	3,180,000
Gain on revaluation	<b>39,000</b>	96,000
<b>Market value at 31 March</b>	<b>3,315,000</b>	3,276,000

The historical cost of the investment properties is £1,530,000.

Full valuations of the investment properties were last carried out on 31 March 2024 for the freehold interest in, Grove Lodge (valued at £525,000) and the freehold interest of the Multi Use Games Area (MUGA) (valued at £190,000). The valuations were performed by Knight Frank LLP, Chartered Surveyors, based on Market Rent in accordance with guidelines set by the Royal Institution of Chartered Surveyors for accounts purposes in accordance with the RICS Valuation – Global Standards, incorporating the International Valuations Standards and RICS Professional Standards UK. Knight Frank also carried out a full valuation of 32 St Ann's Villas, W11 4RS (£2,600,000) at 31 March 2023. The Trustees have assessed whether there have been any material movements since this date and have concluded that there have not been any.

## Notes to the financial statements Year ended 31 March 2024

At 31 March 2024, part of the charity's freehold investment properties was subject to a legal charge in favour of the London Pension Fund Authority. Further details are provided in note 12 to the financial statements.

	2024 £	2023 £
<b>Listed investments</b>		
Market value at 1 April	17,092,779	18,710,907
Additions at cost	3,595,842	4,121,593
Disposals at book value (proceeds £3,020,954 and realised gains of £66,282)	(2,954,672)	(5,652,031)
Unrealised gains/ (losses) on revaluation	2,407,209	(87,690)
Market value at 31 March	20,141,158	17,092,779
Cash held by investment managers	215,600	763,481
<b>Total investments</b>	<b>20,356,758</b>	<b>17,856,260</b>
<b>Cost of listed investments at 31 March (inclusive of cash)</b>	<b>16,819,961</b>	<b>16,245,491</b>

At 31 March, the investment portfolio included no holdings which represented a material proportion of the total value of the fixed asset investment portfolio at that date.

Listed investments held at 31 March comprised the following:

	2024 £	2023 £
UK fixed interest	2,415,388	1,609,717
UK equities	782,120	1,155,135
Overseas fixed interest	729,878	886,245
Overseas equities	14,686,218	11,894,683
Alternative investments	1,527,554	1,546,998
	<b>20,141,158</b>	<b>17,092,779</b>

	2024 £	2023 £
<b>Unrealised accumulated gains included above:</b>		
On listed investments	3,536,797	1,610,769
On investment properties	1,785,000	1,746,000
Total unrealised accumulated gains at 31 March	<b>5,321,797</b>	<b>3,356,769</b>

## 8 Debtors

	2024 £	2023 £
Trade debtors	116,657	80,173
Less: provision for doubtful debts	(112,694)	(52,876)
Prepayments	15,145	9,884
Other debtors	200	200
	<b>19,308</b>	<b>37,381</b>

Notes to the financial statements Year ended 31 March 2024

**9 Creditors: amounts falling due within one year**

	2024 £	2023 £
Trade creditors	128,670	14,874
Social security and other taxes	9,072	11,068
Accruals - Grants payable (note 11)	141,139	178,346
Accruals - Other	54,986	78,290
Deferred income	35,873	39,270
Other creditors	58,438	2,452
	<b>428,178</b>	<b>324,300</b>

**10 Creditors: amounts falling due after one year**

	2024 £	2023 £
Grants payable		
. Within one year (note 10)	141,139	178,346
Due after one year		
. Between one and two years	80,000	129,360
. Between two and five years	—	—
	<b>80,000</b>	<b>129,360</b>
<b>Total grants payable</b>	<b>221,139</b>	<b>307,706</b>

**11 Pension commitments**

***London Pensions Fund Authority***

The Froebel Trust contributes to the London Pensions Fund Authority (LPFA), part of the Local Government Pension Scheme, a defined benefit statutory scheme. This Scheme is closed to new employees. The Fund is administered by LPFA in accordance with the Local Government Pension Scheme Regulations 1997 as amended.

The scheme is a multi-employer Defined Benefit Scheme which is contracted out of the State Second Pension. The Scheme is subject to triennial actuarial valuations. The assets of the defined benefit scheme are held separately from those of the Charity, in separate LPFA administered funds. Contributions to the scheme are determined by a qualified actuary on the basis of triennial valuations, using the current unit method with a 20 year control period.

The following information is based upon the most recent full actuarial valuation of the fund, which was carried out at 31 March 2022, and has been updated to 31 March 2024 by a qualified independent actuary. The major assumptions used by the actuary were:

	2024 %	2023 %
Rate of increase in salaries	3.95	3.90
Rate of increase in pension payments	2.95	2.90
Discount rate	4.85	4.80
Inflation assumptions		
. RPI increase	3.40	3.90
. CPI increase	2.95	2.90

## 12 Pension commitments (continued)

### ***London Pension Fund Authority (continued)***

The breakdown of the Scheme assets is as follows:

	2024 £	2023 £
Equities	351,000	327,000
Target return portfolio	100,000	103,000
Infrastructure	67,000	70,000
Property	53,000	55,000
Cash	9,000	1,000
Present value of scheme assets	580,000	556,000

The current mortality assumptions include sufficient allowance for the future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

	2024 £	2023 £
<b>Retiring today / current pensioners</b>		
Males	21.9	22.2
Females	23.8	24.1
<b>Retiring in 20 years / future pensioners</b>		
Males	23.2	23.4
Females	24.7	25.0

The actuaries have advised the trustees that the value of the scheme's liabilities (and resulting deficit) disclosed above should not be taken as an indication of the results of a valuation which would normally be carried out for funding purposes. The valuation assumptions made for the purposes of FRS 102 (28) are not necessarily appropriate for the purposes of a long term funding valuation.

The total pension contributions in respect of the defined benefit scheme for the period were £17,000 (2023 - £48,000), of which employer's contributions totalled £14,000 (2023 - £46,000) and employees' contributions totalled £3,000 (2023 - £2,000).

The agreed contribution rates for future years are 20.5% for employers and 6.5% for employees. An additional deficit funding agreement of £37,901 per annum came into effect from 1 April 2022.

Analysis of the amount charged to statement of financial activities:

	2024 £	2023 £
Past service cost	—	—
Current service cost	(10,000)	(17,000)
<b>Total operating charge</b>	<b>(10,000)</b>	<b>(17,000)</b>



## 12 Pension commitments (continued)

### *London Pension Fund Authority (continued)*

	2024 £	2023 £
Interest on pension liabilities	(30,000)	(25,000)
Interest on assets	26,000	14,000
<b>Net pension finance cost</b>	<b>(4,000)</b>	<b>(11,000)</b>

Amounts recognised as other gains and losses:

	2024 £	2023 £
Return on assets less interest	25,000	(7,000)
Changes in financial and demographic assumptions underlying the scheme liabilities	6,000	341,000
<b>Net actuarial gain (loss) recognised</b>	<b>31,000</b>	<b>324,000</b>

The actuarial gains and losses for the current period are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is a gain of £355,000 (2023 - £334,000).

Movement in net deficit during the period:

	2024 £	2023 £
Deficit at the beginning of the period	(94,000)	(446,000)
Current service cost	(10,000)	(17,000)
Employer contributions	14,000	46,000
Net pension finance cost	(4,000)	(11,000)
Net actuarial gain	31,000	324,000
<b>Deficit at end of the period</b>	<b>(63,000)</b>	<b>(94,000)</b>

The estimated value of the employer contributions for the period ending 31 March 2024 is £14,000 (2023 - £46,000).

The LPFA have a fixed legal charge over the charity's freehold properties at Clarence Lodge and Grove Lodge on Clarence Lane as a means of security over the charity's obligations in relation to the above defined benefit pension scheme.

## 13 Related parties

Professor Jean-Noel Ezingard, - a trustee of the Froebel Trust, is the Vice-Chancellor of the University of Roehampton. During the year ended 31 March 2024, the Froebel Trust had various transactions with the University all of which took place on an arm's length basis. Research and bursary grants were made to the University during the year ended 31 March 2024 totalling £5,000 (2023 - £41,460). Michael Pearson – a trustee of the Froebel Trust, has been appointed to the University of Roehampton Board since the year ended 31 March 2023.

Kate Hoskins – a trustee of the Froebel Trust and Reader in Education Brunel University. Research grant payment was made to the Brunel University during the year ended 31 March 2024 totalling £34,594.

## Notes to the financial statements Year ended 31 March 2024

### **13 Related parties** (continued)

Three trustees who are also Froebel Trust Endorsed Travelling Tutors received payment for teaching Froebel Trust Courses during the year:

Paula Lester (Philips) – a trustee of the Froebel Trust and FT Travelling tutor. The total amount paid to Paula Lester was £13,750.

Holli Williams – a trustee of the Froebel Trust, FT Travelling Tutor and Head of schools at Linden Tree Nursery Schools. The total amount paid to Holli Williams was £1,000.

Lucy Parker – a trustee of the Froebel Trust, FT Travelling tutor and Deputy Head of Ludwick Nursery School. The total amount paid to Lucy Parker was £1,000.

### **14 Liability of directors**

The Froebel Trust is a company limited by guarantee and has no share capital. In the event of the company being wound up the liability of the Trustees (who are the members of the company) is limited to £1 each.