THE FOUNDATION YEARS TRUST

England & Wales · Charity number 1149609

Details

Other names	FYT, TFYT AND FYT
Status	Registered
Legal form	Charitable company
Company number	08194371
Registered	2012-11-05
Register	View on the Charity Commission register

Contact

Address	c/o Seacombe Family Hub St. Pauls Road Wallasey Wirral Merseyside CH44 7AN
Phone	01516474830
Email	info@foundationyearstrust.org.uk
Website	www.foundationyearstrust.org.uk

Activities

Objects: 3.1. THE OBJECTS OF THE CHARITY (THE ?OBJECTS?) ARE FOR THE PUBLIC BENEFIT:- 3.1.1. TO PROMOTE THE EDUCATION (INCLUDING SOCIAL AND PHYSICAL TRAINING) OF PEOPLE; 3.1.2. TO PREVENT OR RELIEVE POVERTY OR FINANCIAL HARDSHIP BY PROVIDING EDUCATION AND TRAINING AND ALL NECESSARY SUPPORT INCLUDING ASSISTANCE TO FIND EMPLOYMENT; 3.1.3 TO FURTHER SUCH OTHER EXCLUSIVELY CHARITABLE PURPOSES ACCORDING TO THE LAW OF ENGLAND AND WALES AS THE TRUSTEES IN THEIR ABSOLUTE DISCRETION FROM TIME TO TIME DETERMINE.

Activities: Early Explorers groups for families 0-3yr olds delivering Peep Learning Together programme, Early readers for schools promoting early literacy, Grandparents groups, Transition groups in schools, Little Talkers for families on speech & language waiting list, Active play sessions, Story Explorers volunteer-led home sessions, Training for schools/nurseries, Volunteering opportunities & training.

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Classification

- **How:** Provides Services, Provides Advocacy/advice/information, Acts As An Umbrella Or Resource Body
- **What:** Education/training
- **Who:** Children/young People

Geography

- Wirral

Finances

Period end	Income	Expenditure	Assets	Employees
2025-12-31	£195,481	£198,316	-	-
2024-12-31	£194,976	£200,418	-	-
2023-12-31	£317,135	£338,150	-	-
2022-12-31	£356,499	£349,395	-	-
2021-12-31	£295,371	£255,662	-	-
2020-12-31	£204,572	£250,336	-	-

Trustees

Name	Role	Appointed
Dermot John Coleman		2019-05-13
Janice Darkes-Sutcliffe		2018-11-20
Kelleigh Elizabeth Hoy		2023-04-26
Marcus Bell		2017-07-19
Sandhya Singh		2023-01-30

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THE FOUNDATION YEARS TRUST

England & Wales - Charity number 1149609

Accounts

Company registration number: 08194371
Charity registration number: 1149609

THE FOUNDATION YEARS TRUST
TRUSTEES' REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

Foundation Years Trust

The Foundation Years Trust
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The Foundation Years Trust
Company No. 08194371
Trustees' Report For The Year Ended 31 December 2025

The trustees present their report and the financial statements for the year ended 31 December 2025.

Objectives and Activities

Articles of Association

- To promote the education, including social and physical training of people.
- To prevent and relieve poverty or financial hardship by providing education and training in all necessary support, including assistance to find employment.

Mission Statement

To promote the education and development of young children by equipping parents, carers, and communities with the skills, knowledge, and confidence to support early learning. Through adult education and training, we aim to strengthen the Home Learning Environment and contribute to closing the attainment gap that exists between children from different communities.

Aim

To improve developmental and educational outcomes for children aged 0–5 by strengthening the skills and confidence of the adults around them—particularly in families facing poverty of opportunity—through early intervention, education, and training.

Objectives

- To reduce the impact of poverty on early childhood outcomes by supporting adults to build skills, confidence, and pathways to further learning or employment.
- To improve the Home Learning Environment by facilitating and supporting parents and carers to engage in meaningful interactions that promote children's development, wellbeing, and school readiness.
- To deliver accessible, evidence-based education and training for early years practitioners and other key adults who influence young children's learning.
- To collaborate with local partners and communities to ensure inclusive, culturally responsive support for families with young children.
- To evaluate and adapt our programmes using feedback and data to ensure continuous improvement and measurable impact.

Public Benefit

The Trust identified the Home Learning Environment (HLE) as being a significant lever in improving the life chances of children. The attainment gap between children living in economic disadvantage and those from more affluent backgrounds remains significant, despite nurseries and schools' work to improve over the years. Using evidence-based frameworks to provide adult learning programmes for parents/ carers and other significant adults, we aim to improve adult interaction with babies and young children.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charitable company should undertake.

The trustees confirm that they have complied with the requirements of Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's guidance on public benefit.

Achievements and Performance

Main Achievements

The Trust continued to offer high quality activities for families with 0-5-year-olds in community venues, through schools and ad-hoc events.

The team delivered Peep Learning Together training to 7 schools in late 2024, so these schools began delivering this programme during 2025. We also trained two local charities in this programme.

The work in schools has recently been funded by Northern Consortium, allowing schools to have the programme free of charge. Further funding enabled the team to deliver three sets of Early Readers groups and a further two sets of our Transition Programme 'My Big School Adventure'.

Wirral Libraries team also commissioned FYT to produce and deliver training for their staff. Consequently, they successfully delivered a programme of sessions focusing on how nature and the outdoor environment can support children's learning and development.

FYT continue to play a leading role in Wirral's Early Help Alliance, undertaking key roles and responsibilities between various team members. The Alliance work brings in significant income, supporting the team to deliver a variety of services across Wirral, ensuring FYT is at the heart of Early Help services in Wirral.

The Healthy Incomes programme in Wirral, led by FYT and funded by the Lloyds Bank Foundation, continues to work in partnership with relevant organisations to improve access to disability benefits and reduce stigma associated with applying. This project was funded for two years from May 2024 and has successfully achieved a third year. Whilst this seems like a departure from FYT's normal work, it is a continuation of the Lottery Funded project which enabled the Alliance partners, led by FYT, to engage more effectively in coproduction methods.

The team continued to influence positive change by actively participating in a range of groups and networks that support the Home Learning Environment and wider Early Years agendas. This included involvement in the Fair Education Alliance Early Years Working Group, the Wirral Start for Life Steering Group, the Wirral Early Years Strategy Group, and the Parent, Infant and Early Years Relationships Clinical Network for Cheshire and Merseyside.

Where relevant, team members also attended sector conferences to share learning and strengthen knowledge, including the Voluntary Sector Northwest conference, the Fair Education Summit and Lloyds Foundation Collaborative Approach workshops.

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Main Achievements - continued

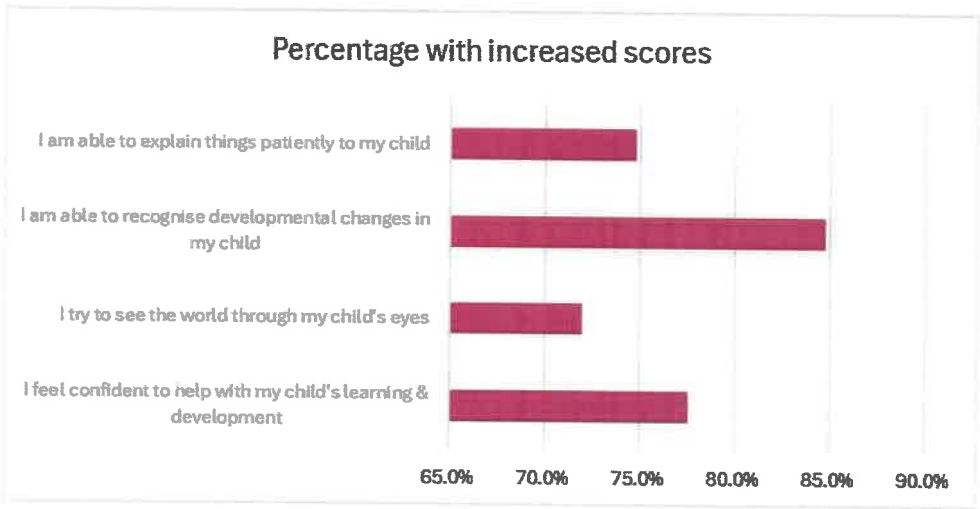
Achievements, Outcomes and Impact of work with families

During the year, eight schools successfully delivered the programme, but more were recruited and are gearing up to deliver at the start of 2026. The team continue to find creative ways to reduce the barriers that prevent schools from running groups continuously, and this year produced a manual to support this work.

Where schools deliver groups consistently, the impact is clear. Schools who deliver consistently report improved learning outcomes for children, secure relationships with families and better engagement from parents in their child's schooling.

One school shifted their EYFS Profile data from 62% to 68% of children achieving a Good Level of Development (GLD). Whilst this has clearly been the consequences of several strands of work, the Headteacher is in no doubt that the groups have played a significant role in achieving this.

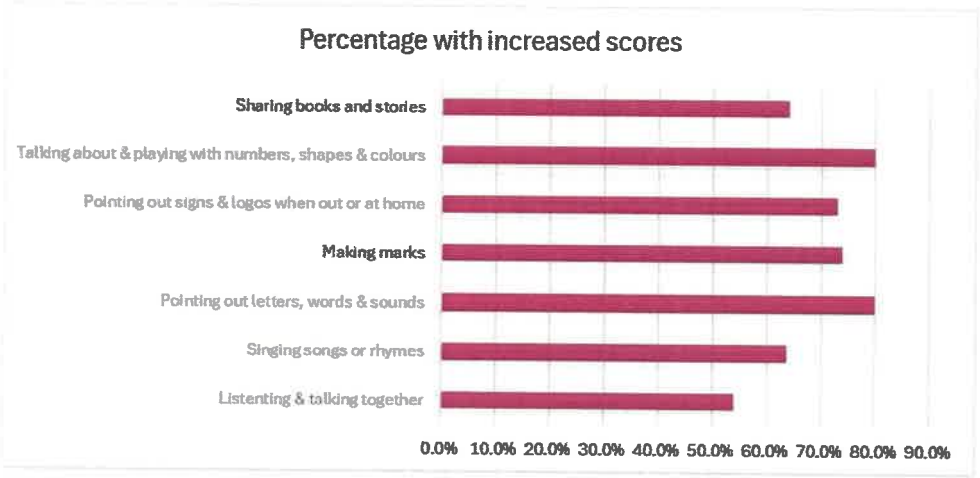
From our own comprehensive evaluation, we can demonstrate an improvement across several areas of both parental warmth and sensitivity (crucial in supporting HLE) and in parental behaviour towards their child. The first graph demonstrates that parents report improvements in recognising developmental changes in their child (84.8%), being able to see the world through their child's eyes (72%), able to explain things patiently (74.8%) and feeling confident to help with their child's learning and development (77.6%). These are all important in developing attachment and secure relationships at home, forming the basis on which children learn and develop.



Significantly, there were also increases in parents reporting doing more with their children on a regular basis. This is important to support children's learning and development across various areas of learning.

Our data showed clear increases across all aspects of early learning. For example, 'Talking about and playing with numbers, shapes and colours', and 'Pointing out letters and sounds' showed an 80% increase in parental understanding and activity since attending our groups. Although 'Listening and talking together' had a lower percentage increase (54%) we recognise that parents subsequently identified that they were already doing lots of this at home prior to the groups, but attendance helped them understand the value to their child. 'Pointing out signs and logos' (73%) and 'Making marks' (74%), are both significant aspects of literacy development that had not occurred to most parents.

Finally, 63.7% of parents reported 'Singing songs or rhymes' more and 64% reported 'sharing books and stories' more often, both vital for communication and language development.



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Main Achievements – continued

Parents also told us how important the groups were for their wellbeing, telling us they lowered their stress levels, normalised developmental milestones and helped both them and their children make connections in the community that would support them into the future.

Some feedback from parents and school staff:

"We were stuck for ideas of things to do but I remembered that (child) had fun at your group last week playing with the oats in the tray, so I looked in the cupboard and got out some pasta and rice and she played for ages! Tipping and pouring and filling cups and bowls up. And it didn't cost me a penny!" (Parent from Gautby Community group.)

"I joined the sessions maybe week 2 and loved seeing (child) in a different environment than at home. I didn't feel she was missing out particularly on areas of development or different activities to what they do at home, until I came to the groups. I could get involved and see (child) play in a totally different way. The sessions gave lots of ideas to incorporate into home learning and furthering her development." (Parent after Transition Group.)

"My child's confidence had grown so much. I am so grateful for the thought that went into focus based activities to interest him and the other children. After one particular session, he carried round his story sack that he created within Early Readers with for the whole week that followed, including hanging it on his scooter! I now regularly use the shopping list tasks/activities from the session about 'environmental print/logos'. And when we're on the bus now we tick off places and signs/logo we see. It's been lovely to create a fun focussed activity out of an everyday routine!" (Parent attending Early Readers.)

Victoria stated that she really enjoyed coming to the sessions with her daughter and that Mila (child) has really grown in confidence since coming along. English is not a first language in their house and Mila is bilingual in Russian and English. Victoria voiced that her daughter now has a real love of English books as well as Russian as read to her previously and she will often get all her books out, set her dolls up in a semi circle and read and read out loud to them all!

"This is the best baby group I've ever been to! The others don't ever seem long enough & you've gone round today being so chatty and friendly which is really lovely as I've found you don't always get that at others we've been to" Parent attending community group." (Parent at Baby Club event Sept 2025.)

"We have really enjoyed these sessions. It's been lovely seeing families return each week. We've tried different ways to support transition before, but nothing has worked quite like this. It's given us the chance to really talk with parents—especially those new to our school—and listen to their worries. Some have shared concerns about their child needing extra support in September, and it's been so valuable to have those conversations early. Honestly, we'd love to do this again next year—when can we book you in?" (Teacher from Holy Cross Primary School after Transition Groups.)

"We were worried about (child) starting school because they have been through a lot of change this year, but its been nice to see how happy they have been visiting school and how they have been excited to come back each week" (Grandparent attending transition group.)

"(Child) really struggles with separation anxiety and it was tricky on the first session. But by week 3 they have wondered off and had a little play without me. I know September will be hard after the summer holidays but I will be able to tell (child) about the fun they have had at these sessions and I'm sure it will help." (Parent attending transition group.)

Examples of feedback from parents attending sessions delivered by school staff:

"I am listening better to my son and engaging in his learning more. I can see how happy this makes him and his development has soared."

"I have learned skills to improve both of our listening and eel better equipped to help with his talking."

"We had a good relationship previously, but the sessions have strengthened this."

"Made us more aware of how to help him."

"These sessions have given me more confidence in supporting my child's learning. I have learnt new ways to teach letters and number through play."

Future Plans

The charity continues to work with families of 0–5-year-olds, supporting home learning experiences. We will:

- Continue to provide the school programme, including training, support and access to other relevant courses.
- Extend the offer of the school programme to all Wirral schools with early years provision, and to schools in other local authorities, capitalising on the governments focus on home learning in this age range.
- Continue to provide a range of quality Home Learning services in local communities, as per funding.
- Continue to build partnerships with other organisations, to enhance and extend our own work, and explore opportunities for further funding.
- Continue to provide opportunities for families to learn about ways they can support their child's learning and development.
- Further develop strategies to engage parents and carers to ensure programmes meet their needs in terms of methods of delivering messages on HLE.
- Develop a programme of professional development for early years professionals as an online offer.

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Future Plans - continued

- Explore methods of engaging private and independent early years settings, to develop a version of the programme they can participate in and support parents in providing home learning experiences.

- Grow and develop a programme to engage volunteers, ensuring secure recruitment, suitable training and purposeful work.

- Develop specific programmes to support areas of children's development, responding directly to local data from Early Years and Health visiting teams.

This necessitates ongoing fundraising activity to secure sufficient funds.

Principal risks and uncertainties

The Trustees have assessed the major risks to which the charitable company is exposed and are satisfied that systems are in place to mitigate exposure to these. Additionally, the Trust maintains a risk register which supports ongoing monitoring and discussion of these risks.

Financial Review

Reserves Policy

It is the policy of the Trust to maintain both restricted and unrestricted funds at a level which equates to at least three months of expenditure to ensure that the Trust can continue to operate should difficulties in receiving income occur in the short term. This will also ensure that the Trust is able to close-down at the end of its funding cycle, meeting all statutory staffing and operational costs. The level of expenditure for 2025 was £198,316, giving a reserves policy target of £49,579.

The Trust's reserves held at 2025 were as follows:

	2025	2024
	£	£
Unrestricted Reserves:		
Unrestricted Revenue Fund	26,664	23,833
Designated Revenue Fund	53,117	53,489
	79,781	77,322
Restricted Funds	43,808	49,102
	123,589	126,424

Unrestricted reserves are strategically managed to protect the charity's financial sustainability. The majority of the Trust's activities in the year to 31 December 2025 were funded by restricted grants and given that it is likely that the charity's costs will continue to be funded by restricted income in the immediate term, the Trustees consider that sufficient funds will be available to cover management and administration support costs for the foreseeable future.

Structure, Governance and Management

Governing Document

The charitable company is a company limited by guarantee without share capital governed by its memorandum and articles of association.

Trustee Selection Methods

Membership of the Charity is open to any individual over the age of 18 years whom the Board decide to admit to membership. The Trust's Articles of Association state that all Trustees automatically become members. The business of the Trust is managed by the Board, which may consist of no fewer than three and no more than twelve elected members. An additional three members can be co-opted to the Board.

The Board delegates certain operational decisions to the Finance Sub-Group, the Strategy Sub-Group and the Fundraising Sub-Group, which consist of a number of Trustees and the CEO, along with relevant staff. These sub-groups meet throughout the year (virtually or face-to-face) and reports decisions to the following Board.

Legal structure of the charity

The charity is constituted as a company limited by guarantee, registered under the Companies Acts. The governing document of the charity is the Memorandum and Articles of Association establishing the company under company legislation.

There are no restrictions in the governing documents on the operation of the Charity or on its investment powers other than those imposed by Charity Law.

By operation of law, all Trustees are Directors under the Companies Act 2006 and all Directors are Trustees under Charities legislation and have responsibilities, as such, under both company and charity legislation.

The Trustees are all individuals.

Reference and Administrative Details

Trustees
Dr Janice Darkes-Sutcliffe - Chairperson
Dr Dermot Coleman - Treasurer
Marcus Bell OBE
Kelleigh Hoy
Sandhya Singh

Charity Number
1149609

Company Number
08194371

Principal Address
c/o Seacombe Family Hub
St Pauls Road
Wallasey
Wirral
CH44 7AN

Independent Examiner
Matthew Brown CIPFA
Adding Value Consultancy Ltd
Studio 21, Bluecoat Chambers
School Lane
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L1 3BX

Bankers
CAF Bank Ltd
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ

Small Company Rules

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.
The trustees' report was approved by the board of trustees and signed on its behalf by:



Dr Janice Darkes-Sutcliffe
Chairperson
24th April 2026

The Foundation Years Trust
Independent Examiner's Report to the Trustees of The Foundation Years Trust
For The Year Ended 31 December 2025

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2025.

Responsibilities and Basis of Report
As the charity trustees of the Company (and also its directors for the purposes of company law), you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ("the 2006 Act").

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent Examiner's Statement
I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Matthew Brown CIPFA
24th April 2026
Studio 21, Bluecoat Chambers
School Lane
Liverpool
L1 3BX

The Foundation Years Trust
Statement of Financial Activities (including Income and Expenditure Account)
For The Year Ended 31 December 2025

	Notes	Unrestricted funds	Restricted funds	2025 Total funds	2024 Total funds
		£	£	£	£
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	3	71,112	44,346	115,458	123,274
Charitable activities:	4				
Other charitable activities		1,028	76,293	77,321	68,246
Investments	5	2,702	-	2,702	3,456
		74,842	120,639	195,481	194,976
EXPENDITURE ON:					
Charitable activities:	8				
Other charitable activities		(72,383)	(125,933)	(198,316)	(200,418)
NET EXPENDITURE		2,459	(5,294)	(2,835)	(5,442)
NET MOVEMENT IN FUNDS		2,459	(5,294)	(2,835)	(5,442)
RECONCILIATION OF FUNDS:					
Total funds brought forward		77,322	49,102	126,424	131,866
TOTAL FUNDS CARRIED FORWARD	17	79,781	43,808	123,589	126,424

The notes on pages 10 to 18 form part of these financial statements.

The Foundation Years Trust
Comparative Statement of Financial Activities (including Income and Expenditure Account)
For The Year Ended 31 December 2025

	Notes	Unrestricted funds	Restricted funds	2024 Total funds
		£	£	£
INCOME AND ENDOWMENTS FROM:				
Donations and legacies	3	38,903	84,371	123,274
Charitable activities:	4			
Other charitable activities		360	67,886	68,246
Investments	5	3,456	-	3,456
		42,719	152,257	194,976
EXPENDITURE ON:				
Charitable activities:	8			
Other charitable activities		(56,586)	(143,832)	(200,418)
NET EXPENDITURE		(13,867)	8,425	(5,442)
NET MOVEMENT IN FUNDS		(13,867)	8,425	(5,442)
RECONCILIATION OF FUNDS:				
Total funds brought forward		91,189	40,677	131,866
TOTAL FUNDS CARRIED FORWARD	17	77,322	49,102	126,424

The notes on pages 10 to 18 form part of these financial statements.

The Foundation Years Trust
Balance Sheet
As At 31 December 2025

	Notes	Unrestricted funds £	Restricted funds £	2025 Total funds £	2024 Total funds £
FIXED ASSETS					
Tangible Assets	13	-	-	-	618
		-	-	-	618
CURRENT ASSETS					
Debtors	14	993	-	993	951
Cash at bank and in hand		84,672	43,924	128,596	130,692
		85,665	43,924	129,589	131,643
Creditors: Amounts Falling Due Within One Year	15	(5,884)	(116)	(6,000)	(5,837)
NET CURRENT ASSETS (LIABILITIES)		79,781	43,808	123,589	125,806
TOTAL ASSETS LESS CURRENT LIABILITIES		79,781	43,808	123,589	126,424
NET ASSETS		79,781	43,808	123,589	126,424
FUNDS OF THE CHARITY					
Restricted Funds				43,808	49,102
Unrestricted Funds				79,781	77,322
TOTAL FUNDS	17			123,589	126,424

For the year ending 31 December 2025 the charitable company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.
The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

On behalf of the board

Dr Janice Darkes-Sutcliffe
Chairperson
24th April 2026

The notes on pages 10 to 18 form part of these financial statements.

1. General Information

The Foundation Years Trust is a company limited by guarantee, incorporated in England & Wales, registered number 08194371 and registered charity number 1149609. The registered office is **Seacombe Family Hub, St. Paul's Road, Wallasey, Wirral, Merseyside, CH44 7AN.**

2. Accounting Policies

2.1. Basis of Preparation of Financial Statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)", Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006.

The charitable company is a Public Benefit Entity as defined by FRS 102.

2.2. Going Concern Disclosure

There are no uncertainties about going concern.

2.3. Fund Accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Designated funds comprise unrestricted funds that have been set aside by the trustees for a specific purpose.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal or as implied by law.

There are no endowment funds.

2.4. Incoming Resources

Nature of income

Gross income represents the value, net of value added tax and discounts, of goods provided to customers and work carried out in respect of services provided to customers.

Categories of Income

Income is categorised as income from exchange transactions (contract income) and income from non-exchange transactions (gifts), investment income and other income.

Income from exchange transactions is received by the charity for goods or services supplied under contract or where entitlement is subject to fulfilling performance related conditions. The income the charity receives is approximately equal in value to the goods or services supplied by the charity to the purchaser.

Income from a non-exchange transaction is where the charity receives value from the donor without providing equal value in exchange, and includes donations of money, goods and services freely given without giving equal value in exchange.

Income recognition

Income, whether from exchange or non-exchange transactions, is recognised in the statement of financial activities (SOFA) on a receivable basis, when a transaction or other event results in an increase in the charity's assets or a reduction in its liabilities and only when the charity has legal entitlement, the income is probable and can be measured reliably.

Income subject to terms and conditions which must be met before the charity is entitled to the resources is not recognised until the conditions have been met.

All income is accounted for gross, before deducting any related fees or costs.

2.5. Resources Expended

Recognition of liabilities and expenditure

A liability, and the related expenditure, is recognised when a legal or constructive obligation exists as a result of a past event, and when it is more likely than not that a transfer of economic benefits will be required in settlement, and when the amount of the obligation can be measured or reliably estimated.

Recognition of liabilities and expenditure (continued)

Liabilities arising from future funding commitments and constructive obligations, including performance related grants, where the timing or the amount of the future expenditure required to settle the obligation are uncertain, give rise to a provision in the accounts, which is reviewed at the accounting year end. The provision is increased to reflect any increases in liabilities, and is decreased by the utilisation of any provision within the period, and reversed if any provision is no longer required. These movements are charged or credited to the respective funds and activities to which the provision relates.

2.6. Tangible Fixed Assets and Depreciation

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is provided at rates calculated to write off the cost of the fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures, Fittings & Equipment 33% straight line

2.7. Cash and Cash Equivalents

Cash and cash equivalents are basic financial assets and include cash in hand and deposits held at call with banks, other short-term highly liquid investments that mature in no more than three months from the date of acquisition and are readily convertible to a known amount of cash with insignificant risk of change in value, and bank overdrafts.

2.8. Financial Instruments

Cash held by the charity is included at the amount actually held and counted at the year end. Bank balances, whether in credit or overdrawn, are shown at the amounts properly reconciled to the bank statements.

2.9. Taxation

The charity is exempt from tax as all its income is charitable and applied for charitable purposes.

2.10. Volunteers

In accordance with the SORP, and in recognition of the difficulties in placing a monetary value on the contribution from volunteers, the contribution of volunteers is not included within the income of the charity.

However, the trustees value the significant contribution made to the activities of the charity by unpaid volunteers.

2.11. Debtors

Debtors are measured at their recoverable amounts at the balance sheet date.

2.12. Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

3. Income from Donations and Legacies

	Unrestricted funds	Restricted funds	2025 Total funds
	£	£	£
Donations and gifts	112	-	112
Grants	71,000	44,346	115,346
	71,112	44,346	115,458

	Unrestricted funds £	Restricted funds £	2024 Total funds £
Donations and gifts	378	-	378
Grants	38,525	84,371	122,896
	38,903	84,371	123,274

The following donations and legacies are included within the total income from donations and legacies above:

	2025 Unrestricted funds £	2024 Unrestricted funds £
Small donations individually less than £1000	112	378

The following grants are included within the total income from donations and legacies above:

	Unrestricted funds £	Restricted funds £	2025 Total funds £
Lloyds Bank Foundation	-	19,000	19,000
Northern Consortium	-	5,411	5,411
The Lewin Trust	-	30,000	30,000
Anne Duchess of Westminster's Fund	-	-	-
The Tudor Trust	-	-	-
John Armitage Charitable Trust	45,000	-	45,000
The National Lottery Community Fund	-	(13,250)	(13,250)
Partnerships North West Region Wirral Borough Council Family Hubs	-	-	-
Collective Futures	1,000	-	1,000
KPMG Foundation	25,000	-	25,000
PH Holt	-	3,000	3,000
	71,000	44,161	115,161

	Unrestricted funds £	Restricted funds £	2024 Total funds £
Lloyds Bank Foundation	-	18,000	18,000
Northern Consortium	-	16,509	16,509
The Lewin Trust	-	15,000	15,000
Anne Duchess of Westminster's Fund	9,500	-	9,500
The Tudor Trust	5,000	-	5,000
John Armitage Charitable Trust	24,025	-	24,025
The National Lottery Community Fund	-	20,462	20,462
Partnerships North West Region Wirral Borough Council Family Hubs	-	14,400	14,400
Collective Futures	-	-	-
KPMG Foundation	-	-	-
PH Holt	-	-	-
	38,525	84,371	122,896

The above income is stated after removal of amounts received as lead partner on behalf of third parties as stated in note 22.

4. Income from Charitable Activities

	Unrestricted funds £	Restricted funds £	2025 Total funds £
Other charitable activities	1,028	76,293	77,321

	Unrestricted funds £	Restricted funds £	2024 Total funds £
Other charitable activities	360	67,886	68,246

Income above includes contractual payments from public bodies to fund charitable activities:

	2025 Restricted funds £	2024 Restricted funds £
Wirral Borough Council	60,960	60,000
Wirral Borough Council Lifelong Learning	-	3,719
Wirral Borough Council Pathfinders	15,333	4,167
	76,293	67,886

5. Investment Income

	2025 Unrestricted funds £	2024 Unrestricted funds £
Bank interest receivable	2,702	3,456

6. Government Grants

Government grants recognised in the accounts were as follows:

	2025 £	2024 £
The National Lottery Community Fund	(13,250)	20,462
Partnerships North West Region Wirral Borough Council Family Hubs	-	14,400
	(13,250)	34,862

The amounts above are stated after removal of funding received as lead partner on behalf of third parties as stated in note 22.

7. Net Income/(Expenditure)

The net expenditure is stated after charging/(crediting):

	2025 £	2024 £
Depreciation of tangible fixed assets - owned	618	981

8. Analysis of Expenditure

	Activities undertaken directly	Support costs (see note 9)	2025 Total
	£	£	£
Other charitable activities	183,200	15,116	198,316

	Activities undertaken directly	Support costs (see note 9)	2024 Total
	£	£	£
Other charitable activities	183,000	17,418	200,418

9. Support Costs

	2025 Other charitable activities
	£
Employee costs	2,570
General administration	9,530
Depreciation	618
Governance costs	2,398
	15,116

	2024 Other charitable activities
	£
Employee costs	2,640
Premises expenses	2,820
General administration	8,885
Depreciation	981
Governance costs	2,092
	17,418

10. Independent Examiner's Remuneration

	2025	2024
	£	£
Independent examination of the financial statements	1,872	1,800

11. Staff Costs

Staff costs were as follows:

	2025	2024
	£	£
Wages and salaries	156,049	158,782
Social security costs	6,371	8,260
Other pension costs	7,831	7,787
	170,251	174,829

No employees received employee benefits (excluding employer pension costs) for the reporting period of more than £60,000.

12. Average Number of Employees

Average number of employees during the year was as follows:

	2025	2024
Charitable Activities	5	3
Administration	2	2
Management:	1	1
	8	6

13. Tangible Assets

	Fixtures, Fittings & Equipment
	£
Cost	
As at 1 January 2025	6,392
As at 31 December 2025	6,392
Depreciation	
As at 1 January 2025	5,774
Provided during the period	618
As at 31 December 2025	6,392
Net Book Value	
As at 31 December 2025	-
As at 1 January 2025	618

14. Debtors

	2025	2024
	£	£
Due within one year		
Other debtors	993	951

15. Creditors: Amounts Falling Due Within One Year

	2025	2024
	£	£
Trade creditors	114	125
Other creditors	1,228	1,031
Taxation and social security	2,866	2,881
Accruals and deferred income	1,792	1,800
	6,000	5,837

16. Pension Commitments

The charitable company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charitable company in an independently administered fund.

During the year the charge to the statement of financial activities in respect of defined contribution schemes was £7,831 (2024: £7,787).

At the balance sheet date contributions of £1,228 (2024: £1,031) were due to the fund and are included in creditors.

17. Movement in Funds

	As at 1 January 2025	Income	Expenditure	Transfers	As at 31 December 2025
	£	£	£	£	£
Unrestricted funds					
General:					
Unrestricted Revenue Funds	23,833	74,842	(72,383)	372	26,664
Designated:					
Designated Revenue Funds	53,489	-	-	(372)	53,117
Total unrestricted funds	77,322	74,842	(72,383)	-	79,781
Restricted funds					
The National Lottery Community Fund Partnerships North Western Region	23,006	(13,065)	(9,941)	-	-
PH Holt	-	3,000	(23)	-	2,977
Wirral Borough Council Alliance	3,932	60,960	(56,502)	-	8,390
The Lewin Trust	6,131	30,000	(29,351)	-	6,780
Northern Consortium	7,105	5,411	(7,105)	-	5,411
The Lloyds Bank Foundation	8,928	19,000	(17,178)	-	10,750
Wirral Borough Council Pathfinders	-	15,333	(5,833)	-	9,500
Total restricted funds	49,102	120,639	(125,933)	-	43,808
Total funds	126,424	195,481	(198,316)	-	123,589

	As at 1 January 2024 £	Income £	Expenditure £	Transfers £	As at 31 December 2024 £
Unrestricted funds					
General:					
Unrestricted Revenue Funds	16,330	42,719	(56,586)	21,370	23,833
Designated:					
Designated Revenue Funds	74,859	-	-	(21,370)	53,489
Total unrestricted funds	91,189	42,719	(56,586)	-	77,322
Restricted funds					
The National Lottery Community Fund Partnerships North Western Region	27,300	20,462	(24,756)	-	23,006
Steel Charitable Trust	1,034	-	(1,034)	-	-
PH Holt	4,725	-	(4,725)	-	-
Magenta Living	4,469	-	(4,469)	-	-
Wirral Lifelong Learning contract	1,420	3,719	(5,139)	-	-
Wirral Borough Council Alliance	1,729	60,000	(57,797)	-	3,932
The Lewin Trust	-	15,000	(8,869)	-	6,131
Northern Consortium	-	16,509	(9,404)	-	7,105
The Lloyds Bank Foundation	-	18,000	(9,072)	-	8,928
Wirral Borough Council family hubs	-	14,400	(14,400)	-	-
Wirral Borough Council Pathfinders	-	4,167	(4,167)	-	-
Total restricted funds	40,677	152,257	(143,832)	-	49,102
Total funds	131,866	194,976	(200,418)	-	126,424

Restricted Funds:

The National Lottery Community Fund Partnerships NW Region – final 3 months funding as lead partner for this co-production work, with Koala North-West, Ferries Families and Caritas Diocese of Shrewsbury. Only grant paid to Foundation Years Trust is shown in income. Partner funds are shown in note 22.

WBC Pathfinders - Befriending – continuation of this restricted grant, paid to 6 partner organisations in the WBC Alliance. Balance of £5833.31 funded us to offer 'befriending' to parents/carers attending our groups each week.

WBC Pathfinders – Schools – consultancy work with schools around multi-agency safeguarding arrangements to test a greater strategic role for education providers.

WBC Alliance – continuation of this five-year funding for the Early Alliance project, with Koala NW as lead partner.

Lloyds Bank Foundation - continuation of this 2-year grant, to identify barriers for local residents claiming disability benefits, to develop a plan to ensure access to all. FYT leads this partnership to influence change in accessibility of disability benefits, with our partners Citizens Advice, Koala NW, Shaftesbury, Caritas, Ferries Families, Involve NW and Web Merseyside. Only grant paid to Foundation Years Trust is shown as income, Partner funds are shown in note 22.

PH Holt - New restricted grant of £3k to run Early Readers groups in the community.

Northern Consortium – New two-year restricted grant to deliver Little Explorers programmes to five schools over next two academic years (£5411 per year).

Lewin Trust – Continuation of this 3-year grant of £105k, to add the Parent Progression Pathway to our Early Explorers community programme, allowing parents, if they wish, to work towards a portfolio-based childcare qualification.

...CONTINUED

17. Movement in Funds - continued

Unrestricted Funds:

Unrestricted Revenue Funds - These funds are held for the meeting the objectives of the charity, and to provide reserves for future activities, and , subject to charity legislation, are free from all restrictions on their use.

Designated Revenue Funds - These funds are also free from all restrictions on use. However, they have been designated to cover essential running or salary costs to ensure FYT can continue to meet its statutory obligations and plug any gaps in funding from other donors.

18. Transactions with Trustees

None of the trustees received any remuneration or any other benefits from an employment with the charity or a related entity during the current or previous year.

During the year the expenses reimbursed to the trustees or paid directly to third parties were as follows:

	2025	2024
	£	£
Travel	214	55
Other Expenses	-	78
	214	133

Number of trustees reimbursed for expenses during the year was 1 (2024: 2)

19. Related Party Disclosures

There have been no related party transactions in the reporting period that require disclosure, except for those disclosed in the Transactions with Trustees note.

20. Controlling Parties

The charity is under the control of its legal members.

Every member of the charity is obliged to contribute such amount as may be required not exceeding £1 to the assets of the company in the event of it being wound up while he or she is a member, or within one year after he or she ceases to be a member.

21. Company limited by guarantee

The company is limited by guarantee and has no share capital.

Every member of the company undertakes to contribute to the assets of the company, in the event of a winding up, such an amount as may be required not exceeding £1.

22. Partner Funds

The following funds were received as lead partner on behalf of third parties and are not included in these accounts:

	£
Y3 Q4 Lottery Funding Jan-Mar 25:	
Koala NW	4,437.50
Ferries Family	4,437.50
Caritas	4,375.00
Lloyds Bank Foundation:	
Citizens Advice	25,000.00
Involve NW	2,000.00
Caritas	1,000.00
WEB Merseyside	1,000.00
Shaftesbury Youth Club	1,000.00
Koala NW	1,000.00
	44,250.00

	2025 Total funds £	2024 Total funds £
INCOME AND ENDOWMENTS FROM:		
Donations and legacies		
Donations from individuals	112	378
Grants	115,346	88,034
Government Grants	-	34,862
	115,458	123,274
Charitable Activities:		
Other income	1,028	360
Contractual payments from public bodies	76,293	67,886
	77,321	68,246
Investments		
Bank interest receivable	2,702	3,456
	2,702	3,456
	195,481	194,976
EXPENDITURE ON:		
Charitable Activities:		
Wages and salaries	(156,049)	(158,782)
Employers NI	(6,371)	(8,260)
Employers pensions - defined contribution schemes	(7,831)	(7,787)
Programme delivery & shared costs	(12,949)	(8,171)
Recruitment costs	(134)	-
Staff training and welfare	(884)	(1,238)
Payroll fees and charges	(403)	(603)
Travel and subsistence expenses	(1,149)	(799)
Rent	-	(2,820)
IT, website and phones	(7,676)	(5,739)
Insurance	(1,034)	(981)
Stationery and printing	(223)	(1,209)
Publications and subscriptions	(506)	(867)
Bank charges	(60)	(60)
Volunteers expenses	(31)	(29)
Depreciation	(618)	(981)
Trustees' expenses	(214)	(133)
Independent examiner's fees	(1,872)	(1,800)
Other governance costs	(312)	(159)
	(198,316)	(200,418)
	(198,316)	(200,418)
NET EXPENDITURE	**(2,835)**	**(5,442)**

THE FOUNDATION YEARS TRUST

England & Wales - Charity number 1149609

Accounts

Company Registration Number - 08194371

The Charity Registration Number is :- 1149609

The Foundation Years Trust

Report and Accounts

31 December 2024

Foundation Years Trust

The Foundation Years Trust

Report and accounts for the year ended 31 December 2024

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The Foundation Years Trust

Company Registration Number - 08194371

Trustees' Annual Report for the year ended 31 December 2024

The Trustees present their Report and Accounts for the year ended 31 December 2024, which also comprises the Directors' Report required by the Companies Act 2006.

Reference and administrative details

The charity name

The legal name of the charity is:- The Foundation Years Trust.

The charity is also known by its operating name, FYT.

The charity's areas operation and UK charitable registration

The charity is registered in England & Wales with the Charity Commission in England & Wales (CCEW) with charity number 1149609.

The charity does not operate in any overseas jurisdictions.

Legal structure of the charity

The charity is constituted as a company limited by guarantee, registered under the Companies Acts . The governing document of the charity is the Memorandum and Articles of Association establishing the company under company legislation.

There are no restrictions in the governing documents on the operation of the Charity or on its investment powers other than those imposed by Charity Law.

By operation of law all, Trustees are Directors under the Companies Act 2006 and all Directors are Trustees under Charities legislation and have responsibilities, as such, under both company and charity legislation.

The Trustees are all individuals.

The principal operating address, telephone number, email and web addresses of the charity

c/o Seacombe Family Hub
St Pauls Road, Wallasey
Wirral, CH44 7AN
Telephone T: 0151 647 4830
Email Address www.foundationyearstrust.org.uk Web address info@foundationyearstrust.org.uk

The registered office of the charity for Companies Act purposes is the same as the operating address shown above.

The Trustees in office on the date the report was approved

Marcus Bell
Dr Dermot Coleman
Janice Darkes-Sutcliffe (Chairperson)
Kelleigh Hoy
Sandhya Singh

The Foundation Years Trust

Company Registration Number - 08194371

Trustees' Annual Report for the year ended 31 December 2024

The following persons served as Trustees during the year ended 31 December 2024 :-

The Trustees who served as a Trustee in the reporting period, and their dates of resignation during the year were:-.

Name	***Resigned/Retired***
Marcus Bell	
Dr Dermot Coleman	
Janice Darkes-Sutcliffe (Chairperson)	
Simon Fuller	31 January 2024
Elizabeth Hartley	09 April 2024
Joanne Healey	31 January 2024
Kelleigh Hoy	
Rosaline Piper	07 June 2024
Sandhya Singh	

At the Annual General Meeting no Trustees are required to retire as Trustees.

All the Trustees are also members of the charity.

Objects and activities of the charity

The main activities undertaken in relation to those purposes during the year and to further the charity's purpose for the public benefit

The aim of the Trust is to improve the outcomes of early years children, particularly those who are disadvantaged by poverty. Specifically, the Trust identified the Home Learning Environment (HLE) as being a significant lever in improving the life chances of children. The attainment gap between children living in economic disadvantage and those from more affluent backgrounds remains significant, despite nurseries and schools' work to improve over the years. Using evidence-based frameworks to provide adult learning programmes for parents/carers and other significant adults, we aim to improve adult interaction with babies and young children.

The objects of the charity are recorded in the Memorandum and Articles incorporated 29 August 2012 as amended by Special Resolution registered at Companies House on 17 March 2017 as amended on 02 May 2024.

The objects of the charity are for the public benefit; to promote the education (including social and physical training) of people; to prevent or relieve poverty or financial hardship by providing education and training and all necessary support including assistance to find employment; to further such other exclusively charitable purposes according to the Law of England and Wales as the Trustees in their absolute discretion from time to time determine.

The Foundation Years Trust

Company Registration Number - 08194371

Trustees' Annual Report for the year ended 31 December 2024

Main activities undertaken during the year

The Trust continued to offer high quality activities for families with 0-5-year-olds in community venues, through schools and ad-hoc events.

FYT became a Delivery Centre for the Peep Progression Pathway, with staff receiving training in delivery and internal quality assurance. This has enabled the delivery of the programme to families, giving opportunities to record their learning and gain units towards a nationally accredited qualification.

Wirral Family Hubs commissioned the team to deliver training to all their staff and volunteers on the Home Learning Environment and Communication and Language. This training was very well received and raised the profile of FYT across Wirral.

FYT continue to play a leading role in Wirral's Early Help Alliance, undertaking several roles and responsibilities between various team members. The Alliance work brings in significant income and ensures FYT is at the heart of Early Help services in Wirral. The Alliance received an award during the year from MJ (Municipal Journal) and was shortlisted for the second year running for a CSJ award.

FYT successfully led a partnership to influence change in the accessibility of disability benefits. Whilst this is a slight move away from the normal work, the partnership work is a natural continuation of the coproduction work FYT has been leading on under the National Lottery funding.

The team continued to influence change by attending a variety of groups and networks to drive forward the HLE and Early Years agendas, including:

- Fair Education Alliance Early Years Working Group
- Wirral Start for Life Steering Group
- Wirral Early Years Strategy Group
- Parent, Infant and Early Years Relationships Clinical Network for Cheshire and Merseyside.

Where applicable, team members also attended conferences to learn and share knowledge including the Voluntary Sector Northwest conference.

The Trustees have had regard to the Charity Commission's guidance on public benefit in managing the activities of the charity.

The Foundation Years Trust

Company Registration Number - 08194371

Trustees' Annual Report for the year ended 31 December 2024

The main achievements and performance of the charity during the year and the difference the performance during the year has made to the beneficiaries of the charity and benefitted wider society

Achievements, Outcomes and Impact of work with families

Despite ongoing challenges for schools, 8 continued to deliver the programme up to July 2024, and 7 signed up and joined the training for the programme in September 2024. This brings the total number of schools delivering over the period to 15.

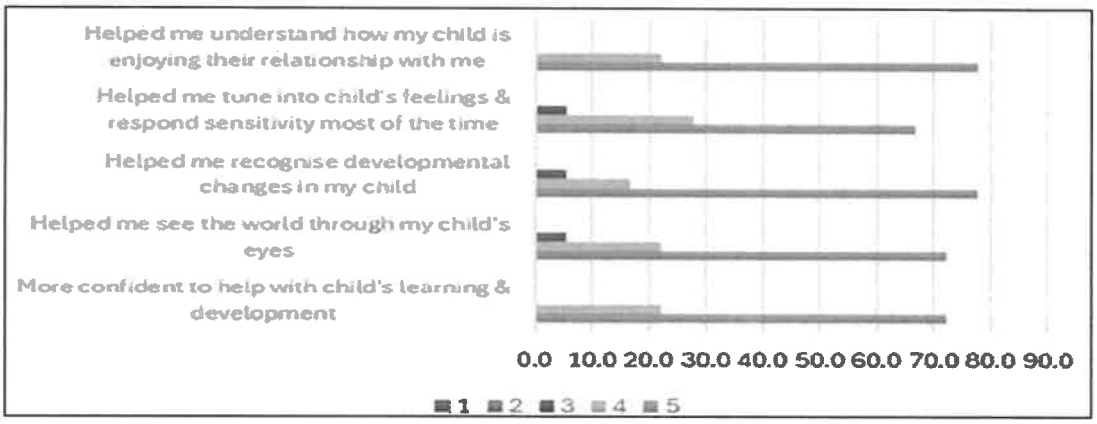
One school provided EYFS data, clearly demonstrating that the children who had attended groups with their parents consistently over the year, had progressed two stages further across all areas of learning than those who did not attend. Another school provided anecdotal evidence that parents demonstrated more positive relationships with their children, were more likely to come to the school when issues arose and more likely to volunteer at the school as a result of attending groups.

Community group work reduced for a period during this year due to the reduced capacity within the staff team. However, groups were still maintained in various venues across the most economically deprived areas of Wirral, and families were able to access universal groups with their children.

Comprehensive monitoring and evaluation take place across various points over the year. Here is an example of some of the results during this period.

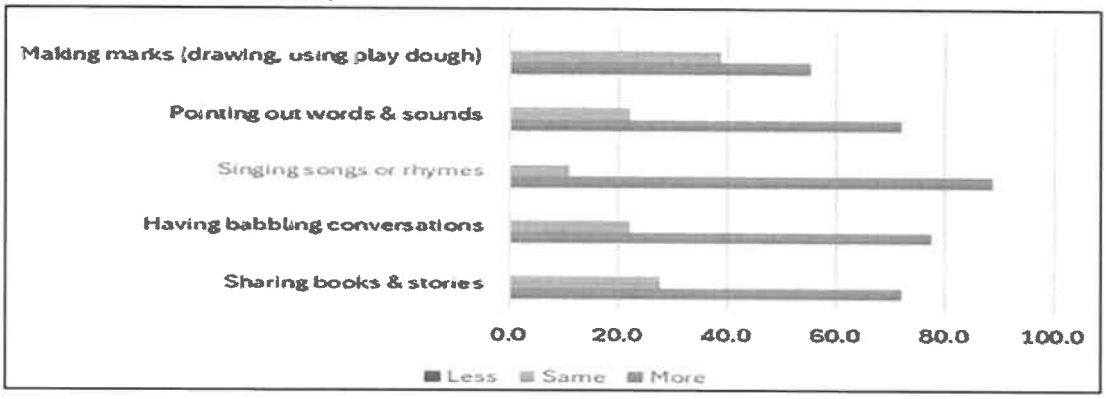
One of the areas we measure is parental warmth and sensitivity. This is due to the vast array of evidence that this fosters security, attachment and emotional wellbeing, leading to better social, psychological and educational outcomes later in life. The table below demonstrates that parents identify themselves as being more sensitive towards their children.

Parental Warmth & Sensitivity



Alongside promoting parental warmth, FYT are aiming to support parents to do more with their children. This is a difficult area to measure as parents would not want to tell professionals that they don't already do some of these things. Nevertheless, the table below shows that parents report either doing the same amount or more of these tasks.

Parent/adult behaviour change



These results sit alongside anecdotal evidence from observations made by school and nursery staff of parents and children, and of children's behaviour in the classroom; and parental feedback and comments all clearly demonstrate the positive impact made by the various programmes delivered by FYT over the year.

Comments from teachers:

• We found that with children who started school in September, then starting Little Explorers in the January, their confidence has really grown, they are building relationships with their peers, a lot more confident in play, and their language is coming on. We've had some children who started with us when they were babbling but now because parents are extending the opportunity for language, they're able to form sentences and use a lot more clear words in conversation.

• I did a managing feelings and behaviour (topic) and quite a few parents came back to say they're thinking about things differently now and a lot more empathetic with their children, and they're helping them and supporting them to deal with their emotions.

A sample of comments from parents:

• Since coming Noah's social skills are much better. He chats a lot more, plays more and it also helped me with anxiety and meeting new people thank you.

• We love coming to the FYT groups. They provide much needed connection and socialization whilst being fun, informative and compelling. I am growing in confidence with regards to playing at home and out and about.

Trustees' Annual Report for the year ended 31 December 2024

Future Plans

The charity continues to work with families of 0–5-year-olds, supporting home learning experiences. We will:

- Continue to build partnerships with other organisations, to enhance and extend our own work, and explore opportunities for further funding.

- Continue to engage school partners with our programme, rolling out to more Wirral schools and schools in neighbouring local authority areas.

- Continue to provide opportunities for families to learn about ways they can support their child's learning and development.

- Further develop our work to learn from parents and carers about the best ways to support the home learning environment and explore a variety of methods.

- Further develop the programme of professional development for early years professionals in relevant topics to enhance their skills in supporting parents.

- Explore methods of engaging private and independent early years settings, to develop a version of the programme they can participate in and support parents in providing home learning experiences.

This necessitates ongoing fundraising activity to secure sufficient funds.

Principal risks and uncertainties

The Trustees have assessed the major risks to which the charitable company is exposed and are satisfied that systems are in place to mitigate exposure to these. Additionally, the Trust maintains a risk register which supports the monitoring and discussion of these risks, which was updated to include the potential risk from Covid-19 on both the method of programme delivery and any threat to the funding sources and strategy.

All Trustees are also allocated specific areas of responsibility for governance through the Trust's policies, which also inform the working practices and ensure the company complies with relevant legislation.

It's worth noting that fundraising is becoming increasingly difficult, with the incredibly high number of applications for every pot of money on offer. This has led the CEO to seek out further partnership opportunities with local organisations, enabling the Trust to gain new funding through these mutually beneficial collaborations, i.e. to influence change in the accessibility of disability benefits.

Structure, governance and management of the charity

The methods used to recruit and appoint new charity Trustees

Membership of the Charity is open to any individual over the age of 18 years whom the Board decide to admit to membership. The Trust's Articles of Association state that all Trustees automatically become members. The business of the Trust is managed by the Board, which may consist of no fewer than three and no more than twelve elected members. An additional three members can be co-opted to the Board.

The Board delegates certain operational decisions to the Finance Sub-Group, the Strategy Sub-Group and the Fundraising Sub-Group, which consist of a number of Trustees and the CEO. These sub-groups meet throughout the year (virtually or face-to-face) and reports decisions to the following Board.

Bankers	CAF Bank Ltd, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent ME19 4JQ

The Foundation Years Trust

Company Registration Number - 08194371

Trustees' Annual Report for the year ended 31 December 2024

Financial review

The charity's financial position at the end of the year ended 31 December 2024

The financial position of the charity at 31 December 2024 and comparatives for the prior period, as more fully detailed in the accounts, can be summarised as follows:-

	2024 £	2023 £
Net income	(5,442)	(21,015)
Unrestricted Revenue Funds available for the general purposes of the charity	23,833	16,330
Designated Revenue Funds	53,489	74,859
Total Unrestricted Funds	**77,322**	**91,189**
Restricted Revenue Funds	49,102	40,677
Total Funds	126,424	131,866

Financial review of the position at the reporting date, 31 December 2024

Financial review

Income for the year was £194,976 (2023: £243,310) and expenditure was £200,418 (2023: £264,325). This resulted in a net deficit for the year of £5442 (2023: a deficit of £21,015).

As at 31 December 2024 unrestricted reserves stood at £23,833 (2023: £16,330) and designated reserves at £53,489 (2023: £74,859).

Restricted reserves were £49,102 (2023: £40,677) making total reserves of £126,424 (2023: £131,866).

See Note 16 on page 20 for breakdown of unrestricted, designated and restricted funds, with classifications of funds and their purpose in Note 19 on page 21.

Partner funds

During the year, £88,663 was received in our role as lead partner for two grants. £56,663 was received from the National Lottery Fund on behalf of three partners (Koala NW, Ferries Families & Caritas). £32,000 was received from the Lloyds Bank Foundation Local Collaboration Programme, on behalf of seven third party partners (Citizens Advice, Koala NW, Shaftesbury, Caritas, Ferries Families, Involve NW and Web Merseyside). A retrospective change has also been made to the 2023 figures (£73,825).

The Foundation Years Trust

Company Registration Number - 08194371

Trustees' Annual Report for the year ended 31 December 2024

Policies on reserves

It is the policy of the Trust to maintain both restricted and unrestricted funds at a level which equates to at least three months of expenditure to ensure that the Trust can continue to operate should difficulties in receiving income occur in the short term. This will also ensure that the Trust is able to close-down at the end of its funding cycle, meeting all statutory staffing and operational costs. The level of expenditure for 2024 was £200,418, giving a reserves policy target of £50,104 for unrestricted and designated reserves.

The Trust's reserves held at 2024 year-end amounted £23,833 unrestricted (2023: £16,330), designated reserves £53,489 (2023: £74,859) and restricted £49,102 (2023: £40,677) which covers the charity's reserve policy. Unrestricted reserves are minimal and strategically managed to protect the charity's financial sustainability.

The majority of the Trust's activities in the year to 31 December 2024 were funded by restricted grants and given that it is likely that the charity's costs will continue to be funded by restricted income in the immediate term, the Trustees consider that sufficient funds will be available to cover management and administration support costs for the foreseeable future.

Availability and adequacy of assets of each of the funds

The board of Trustees is satisfied that the charity's assets in each fund are available and adequate to fulfil its obligations in respect of each fund.

Details of The Independent Examiner

Matthew Brown
Member of CIPFA
Bluecoat Chambers
College Lane
Liverpool
L1 3BZ

Statement of the Directors' and Trustees' Responsibilities

The charity's Trustees are responsible for the preparation of the accounts in accordance with the terms of the Companies Act 2006, the Charities Act 2011 and the Charities (Accounts and Reports) Regulations 2008. Notwithstanding the explicit requirement in the extant statutory regulations,the Charities (Accounts and Reports) Regulations 2008, to prepare the financial statements in accordance with the SORP 2005, in view of the fact that the SORP 2005 has been withdrawn, the Trustees determined to interpret this responsibility as requiring them to follow current best practice and prepare the accounts according to the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2019, applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), .

In particular, the Companies Act 2006 and charity law require the Board of Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of the surplus or deficit of the charity. In preparing those financial statements the Board is required to :-

- to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).
- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;

Trustees' Annual Report for the year ended 31 December 2024

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;

The law requires that the Trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for the year.

The Trustees are also responsible for maintaining adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which are sufficient to show and explain the charity's transactions and enable them to ensure that the financial statements comply with the Companies Act 2006 and comply with regulations made under the Charities Act. 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.

The Trustees are also responsible for the contents of the Trustees' report, and the statutory responsibility of the Independent Examiner in relation to the Trustees' report is limited to examining the report and ensuring that , on the face of the report, there are no material inconsistencies with the figures disclosed in the financial statements.

Method of preparation of accounts - Small company provisions

The financial statements are set out on pages 12 to 30.

The financial statements have been prepared implementing the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2019, applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), and in accordance with the Financial Reporting Standard 102, (effective 1st January 2016)

These financial statements have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006. applicable to companies subject to the small companies regime.

This report was approved by the Board of Trustees on 6 June 2025.



Janice Darkes-Sutcliffe (Chairperson)
Director and Trustee

The Foundation Years Trust

Report of the Independent Examiner to the Trustees of the charitable company on the accounts for the year ended 31 December 2024

I report to the Trustees on my examination of the financial statements of the charitable company on pages 12 to 30 for the year ended 31 December 2024 which have been prepared in accordance with the Charities Act 2011 (the Act) and with the Financial Reporting Standard 102, (effective 1st January 2016) as modified by FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2019, applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), published by the Charity Commission in England & Wales (CCEW) , and under the historical cost convention and the accounting policies set out on page 17.

Respective responsibilities of the Trustees and the Independent Examiner and the basis of the report

As described on page 8, you, the charitable company's Trustees, who are also the Directors of the Company for the purposes of Company law, are responsible for the preparation of the financial statements in accordance with the Companies Act 2006, the Charities Act 2011 and all other applicable law and with United Kingdom Generally Accepted Accounting Practice, applicable to smaller entities, and for being satisfied that the financial statements give a true and fair view.

The Trustees consider that the audit requirement of Section 144(1) of the Charities Act 2011 (the Act) does not apply, and that there is no requirement in the memorandum and articles of the charity for the conducting of an audit, and that the accounts do not require an audit in accordance with Part 16 of the Companies Act 2006 and that no member or members have requested an audit pursuant to Section 476 of the Companies Act 2006. As a consequence, the Trustees have elected that the financial statements be subject to independent examination.

Having satisfied myself that the financial statements are not required to be audited under any legal provision, or otherwise, and are eligible for independent examination, it is my responsibility to:-

a) examine the financial statements of the charity under Section 145 of the Act;

b) follow the applicable procedures in the Directions given by the Charity Commission under section 145(5)(b) of the Act.

Basis of Independent Examiner's Statement and scope of work undertaken

I report in respect of my examination of the charity's financial statements carried out under s145 of the Act. In carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act setting out the duties of an independent examiner in relation to the conducting of an independent examination. An independent examination includes a review of the accounting records kept by the charitable company and of the accounting systems employed by the charitable company and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you, as Trustees, concerning such matters. The purpose of the examination is to establish as far as possible that there have been no breaches of charity legislation and that, on a test basis of evidence relevant to the amounts and disclosures made, the financial statements comply with the SORP.

The procedures undertaken do not provide all the evidence that would be required in an audit, and information supplied by the Trustees in the course of the examination is not subjected to audit tests or enquiries and does not cover all the matters that an auditor would consider in arriving at an opinion. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide

Consequently, I do not express an audit opinion on the view given by the financial statements, and in particular, I express no opinion as to whether the financial statements give a true and fair view of the affairs of the charity, and my report is limited to the matters set out in the statement below.

I planned and performed my examination so as to satisfy myself that the objectives of the independent examination are achieved and before finalising the report I obtained written assurances from the Trustees of all material matters.

The Foundation Years Trust

Independent Examiner's Statement, Report and Opinion

Subject to the limitations upon the scope of my work as detailed above, I have completed my examination: and can confirm that:-

The accounts of this charitable company are not required to be audited under Part 16 of the Companies Act 2006;

This is a report in respect of an examination carried out under 145 of the Act and in accordance with Directions given by the Charity Commission under section 145(5)(b) of the Act which may be applicable;

and that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:-

accounting records were not kept in respect of the charity as required by Section 386 of the Companies Act 2006 and Section 130 of The Charities Act 2011;

the financial statements do not accord with those records; or

the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in section 396 of the Companies Act 2006 other than any requirement that the accounts give a 'true and fair' view, which is not a matter considered as part of an independent examination;

have not been prepared in accordance with the methods and principles set out in the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2019, applicable to all accounting periods beginning on or after 1st January 2019), (The SORP).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Signed:-



Matthew Brown - Independent Examiner

CIPFA
Bluecoat Chambers
College Lane
Liverpool
L1 3BZ

This report was signed on 6 June 2025

The Foundation Years Trust - Statement of Financial Activities for the year ended 31 December 2024

Statement of Financial Activities (including the Income and Expenditure Account for the year ended 31 December 2024, as required by the Companies Act 2006)

	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2024	2024	2024	2023
	£	£	£	£
Income & Endowments from:				
Donations & Legacies	38,903	84,371	123,274	174,998
Charitable activities	360	67,886	68,246	65,491
Investments	3,456	-	3,456	2,821
Total income	**42,719**	**152,257**	**194,976**	**243,310**
Expenditure on:				
Charitable activities	56,586	143,832	200,418	264,325
Total expenditure	**56,586**	**143,832**	**200,418**	**264,325**
Net income for the year	**(13,867)**	**8,425**	**(5,442)**	**(21,015)**
Net movement in funds	**(13,867)**	**8,425**	**(5,442)**	**(21,015)**
Reconciliation of funds:-				
Total funds brought forward	91,189	40,677	131,866	152,881
Total funds carried forward	**77,322**	**49,102**	**126,424**	**131,866**

The 'SORP Ref' indicated above is the classification of income set out in the formal SORP documents. As required by paragraph 4.60 of the SORP, the brought forward and carried forward funds above have been agreed to the Balance Sheet.

A separate Statement of Total Recognised Gains and Losses is not required as this statement includes all recognised gains and losses.

All activities derive from continuing operations

The notes attached on pages 17 to 30 form an integral part of these accounts.

The Foundation Years Trust - Statement of Financial Activities for the year ended 31 December 2024

The Foundation Years Trust - Analysis of prior year total funds, as required by paragraph 4.2 of the SORP

	Prior Year Unrestricted Funds 2023 £	Prior Year Restricted Funds 2023 £	Prior Year Total Funds 2023 £
Income & Endowments from:			
Donations & Legacies	89,816	85,182	**174,998**
Charitable activities	450	65,041	**65,491**
Other trading activities	-	-	**-**
Investments	2,821	-	**2,821**
Total income	93,087	150,223	**243,310**
Expenditure on:			
Charitable activities	105,786	158,539	**264,325**
Other	-	-	**-**
Tax on surplus on ordinary activities	-	-	**-**
Other taxation	-	-	**-**
Total expenditure	**105,786**	**158,539**	**264,325**
Net income for the year	(12,699)	(8,316)	**(21,015)**
Net income after transfers	(12,699)	(8,316)	(21,015)
Net movement in funds	**(12,699)**	**(8,316)**	**(21,015)**
Reconciliation of funds:-			
Total funds brought forward	103,888	48,993	**152,881**
Total funds carried forward	**91,189**	**40,677**	**131,866**

All activities derive from continuing operations

A separate Statement of Total Recognised Gains and Losses is not required as this statement includes all recognised gains and losses.'

The notes attached on pages 17 to 30 form an integral part of these accounts.

The Foundation Years Trust - Statement of Financial Activities for the year ended 31 December 2024

The Foundation Years Trust - Resources applied in the year ended 31 December 2024 towards fixed assets for Charity use:-

	2024 £	2023 £
Funds generated in the year as detailed in the SOFA	-	-
Resources applied on functional fixed assets	-	(785)
Other applications of funds	-	-
Net resources available to fund charitable activities	**-**	**(785)**

Movements in revenue and capital funds for the year ended 31 December 2024

Revenue accumulated funds

	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Last year Total Funds 2023 £
Accumulated funds brought forward	91,189	40,677	**131,866**	152,881
Recognised gains and losses before transfers	(13,867)	8,425	**(5,442)**	(21,015)
Closing revenue funds	**77,322**	**49,102**	**126,424**	131,866

Designated revenue funds included within the unrestricted funds above

	Total Funds 2024 £	Last year Total Funds 2023 £
At 1 January	**74,859**	74,859
Transfer (to)/from revenue accumulated funds	**(21,370)**	-
At 31 December	**53,489**	74,859

The purposes for which these funds have been designated are described in Note 19 to the accounts.

Summary of funds	Unrestricted and Designated funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Last Year Total Funds 2023 £
Revenue accumulated funds	23,833	49,102	**72,935**	57,007
Revenue designated funds	53,489	-	**53,489**	74,859
Total funds	**77,322**	**49,102**	**126,424**	131,866

The notes attached on pages 17 to 30 form an integral part of these accounts.

The Foundation Years Trust - Statement of Financial Activities for the year ended 31 December 2024

The Foundation Years Trust
Income and Expenditure Account for the year ended 31 December 2024 as required by the Companies Act 2006

	2024	2023
	£	£
Income		
Income from operations	**191,520**	240,489
Investment income		
Interest receivable	**3,456**	2,821
Gross income in the year before exceptional items	**194,976**	243,310
Gross income in the year including exceptional items	**194,976**	243,310
Expenditure		
Charitable expenditure, excluding depreciation and amortisation	**197,345**	260,797
Depreciation and amortisation	**981**	940
Governance costs	**2,092**	2,588
Realised losses on disposals of social investments which are programme related	**-**	-
Total expenditure in the year	**200,418**	264,325
Net income before tax in the financial year	**(5,442)**	(21,015)
Tax on surplus on ordinary activities	**-**	-
Net income after tax in the financial year	**(5,442)**	(21,015)
Retained surplus for the financial year	**(5,442)**	(21,015)

All activities derive from continuing operations

In accordance with the provisions of the Companies Act 2006, the headings and subheadings used in the Income and Expenditure account have been adapted to reflect the special nature of the charity's activities.

The notes attached on pages 17 to 30 form an integral part of these accounts.

The Foundation Years Trust - Balance Sheet as at 31 December 2024

	Notes		2024		2023
			£		£
Fixed assets					
Tangible assets	9		618		1,599
Current assets					
Debtors	11	951		4,626	
Cash at bank and in hand		130,692		162,075	
Total current assets		131,643		166,701	
Creditors: amounts falling due within one year	12	(5,837)		(36,434)	
Net current assets			125,806		130,267
The total net assets of the charity			**126,424**		**131,866**
The total net assets of the charity are funded by the funds of the charity, as follows:-					
Restricted funds					
Restricted Revenue Funds	16		49,102		40,677
Unrestricted Funds					
Unrestricted Revenue Funds	16		23,833		16,330
Designated Funds					
Designated Revenue Funds	16		53,489		74,859
Total charity funds			**126,424**		**131,866**

The 'SORP Ref' indicated above is the classification of Balance Sheet items as set out in the formal SORP documents. As required by paragraph 4.60 of the SORP, the brought forward and carried forward funds above have been agreed to the SOFA..

The directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The charity is subject to Independent Examination under charity legislation, and the report of the Independent Examiner is on page 11.

The financial statements have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006. applicable to companies subject to the small companies regime.

Janice Darkes-Sutcliffe (Chairperson)
Director and Trustee
Approved by the board of trustees on 6 June 2025

The notes attached on pages 17 to 30 form an integral part of these accounts.

The Foundation Years Trust

Notes to the Accounts for the year ended 31 December 2024

1 Accounting policies

Policies relating to the production of the accounts

Basis of preparation and accounting convention

The accounts have been prepared on the accruals basis, under the historical cost convention, and in accordance with the Financial Reporting Standard 102, (effective 1st January 2016) and 'FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2019, applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), published by the Charity Commission in England & Wales (CCEW) , and in accordance with all applicable law in the charity's jurisdiction of registration, except that the charity has prepared the financial statements in accordance with the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2019, applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), in preference to the previous SORP, the SORP 2005, which has been withdrawn, notwithstanding the fact that the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008 refer explicitly to the SORP 2005. This has been done to accord with current best practice.

Going Concern

There are no uncertainties about going concern.

Risks and future assumptions

The charity is a public benefit entity.

Policies relating to categories of income and income recognition

Nature of income

Gross income represents the value, net of value added tax and discounts, of goods provided to customers and work carried out in respect of services provided to customers.

Categories of Income

Income is categorised as income from exchange transactions (contract income) and income from non-exchange transactions (gifts), investment income and other income.

Income from exchange transactions is received by the charity for goods or services supplied under contract or where entitlement is subject to fulfilling performance related conditions. The income the charity receives is approximately equal in value to the goods or services supplied by the charity to the purchaser.

Income from a non-exchange transaction is where the charity receives value from the donor without providing equal value in exchange, and includes donations of money, goods and services freely given without giving equal value in exchange.

Income recognition

Income, whether from exchange or non exchange transactions, is recognised in the statement of financial activities (SOFA) on a receivable basis, when a transaction or other event results in an increase in the charity's assets or a reduction in its liabilities and only when the charity has legal entitlement, the income is probable and can be measured reliably.

Income subject to terms and conditions which must be met before the charity is entitled to the resources is not recognised until the conditions have been met.

All income is accounted for gross, before deducting any related fees or costs.

The Foundation Years Trust

Notes to the Accounts for the year ended 31 December 2024

Policies relating to expenditure on goods and services provided to the charity

Recognition of liabilities and expenditure

A liability, and the related expenditure, is recognised when a legal or constructive obligation exists as a result of a past event, and when it is more likely than not that a transfer of economic benefits will be required in settlement, and when the amount of the obligation can be measured or reliably estimated.

Liabilities arising from future funding commitments and constructive obligations, including performance related grants, where the timing or the amount of the future expenditure required to settle the obligation are uncertain, give rise to a provision in the accounts, which is reviewed at the accounting year end. The provision is increased to reflect any increases in liabilities, and is decreased by the utilisation of any provision within the period, and reversed if any provision is no longer required. These movements are charged or credited to the respective funds and activities to which the provision relates.

Volunteers

In accordance with the SORP, and in recognition of the difficulties in placing a monetary value on the contribution from volunteers, the contribution of volunteers is not included within the income of the charity.

However, the Trustees really value the contribution made to the activities of the charity by unpaid volunteers.

Policies relating to assets, liabilities and provisions and other matters

Tangible fixed assets

Tangible fixed assets are measured at their original cost value, or subsequent revaluation, or if donated, as described above. Cost value includes all costs expended in bringing the asset into its intended working condition.

Depreciation has been provided at the following rates in order to write off the assets to their anticipated residual value over their estimated useful lives.

Fixtures and fittings	33 % straight line

Debtors

Debtors are measured at their recoverable amounts at the balance sheet date.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial instruments including cash and bank balances

Cash held by the charity is included at the amount actually held and counted at the year end. Bank balances, whether in credit or overdrawn, are shown at the amounts properly reconciled to the bank statements.

Fund Accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

Designated funds represent funds ear-marked for specific running costs of the Charity.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal or as implied by law.

There are no endowment funds.

Notes to the Accounts for the year ended 31 December 2024

2 Liability to taxation

The Trustees consider that the charity satisfies the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively on the specific charitable objects of the charity and for no other purpose. Value Added Tax is not recoverable by the charity, and is therefore included in the relevant costs in the Statement of Financial Activities.

3 Winding up or dissolution of the charity

If upon winding up or dissolution of the charity there remain any assets, after the satisfaction of all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having similar objects to the charity.

4 Significance of financial instruments to the charity's position

There are no significant implications of such matters.

5 Net surplus before tax in the financial year

	2024 £	2023 £
The net surplus before tax in the financial year is stated after charging:-		
Depreciation of owned fixed assets	981	940
Pension costs	7,787	9,038

6 Staff costs and emoluments

Salary costs	2024 £	2023 £
Gross Salaries excluding trustees	158,782	190,816
Employer's National Insurance for all staff	8,260	10,668
Employer's operating costs of defined contribution pension schemes	7,787	9,038
Total salaries, wages and related costs	**174,829**	**210,522**

No employees received emoluments (excluding pension costs) in excess of £60,000 per annum (2023:£nil).

The estimated equivalent number of full time staff deployed in different activities in the year was:-

Engaged on charitable activities	3	5
Engaged on administration	2	2
Engaged on management and administration	1	1
The estimated full time equivalent number of all staff employed	**6**	**8**

Neither the Trustees nor any persons connected with them have received any remuneration from the charity or any related entity, either in the current or prior year.

7 Remuneration and payments to Trustees and persons connected with them

No Trustees or persons connected with them received any remuneration from the charity, or any related entity.

Notes to the Accounts for the year ended 31 December 2024

8 Trustees' expenses

The expenses reimbursed to Trustees, or paid directly to third parties, in the current or prior year, was as shown below.

	2024	2023
	£	£
The amount reimbursed to Trustees	133	244

The nature of the Trustees' expenses was travel and subsistence.

The number of Trustees' to whom expenses were reimbursed was two.

9 Tangible fixed assets

Current Year	Land and Buildings	Fixtures, fittings & equipment	Motor Vehicles	Total
	£	£	£	£
Cost				
At 1 January 2024	-	6,392	-	6,392
At 31 December 2024	**-**	**6,392**	**-**	**6,392**
Depreciation				
At 1 January 2024	-	4,793	-	4,793
Charge for the year	-	981	-	981
At 31 December 2024	**-**	**5,774**	**-**	**5,774**
Net book value				
At 31 December 2024	**-**	**618**	**-**	**618**
At 31 December 2023	**-**	**1,599**	**-**	**1,599**

10 Partner Funds - Funds received as lead partner on behalf of third parties not included in these accounts

	£
Ferries Family Groups	19,638
Caritas Diocese of Shrewsbury	19,500
Koala North West	20,525
Shaftesbury Youth Club	1,000
Citizens Advice	25,000
Involve NW	2,000
Web Merseyside	1,000
TOTAL	**88,663**

Notes to the Accounts for the year ended 31 December 2024

11 Debtors

	2024	2023
	£	£
Prepayments and accrued income	951	4,626

12 Creditors: amounts falling due within one year

	2024	2023
	£	£
Trade creditors	125	-
Accruals	1,800	31,511
PAYE, NIC VAT and other taxes	2,881	3,649
Other creditors	1,031	1,274
	5,837	**36,434**

13 Income and Expenditure account summary

	2024	2023
	£	£
At 1 January 2024	131,866	152,881
Surplus after tax for the year	(5,442)	(21,015)
At 31 December 2024	**126,424**	**131,866**

14 No related party transactions

There were no transactions with related parties in the year.

15 Particulars of how particular funds are represented by assets and liabilities

At 31 December 2024	Unrestricted funds	Designated funds	Restricted funds	Total Funds
	£	£	£	£
Tangible Fixed Assets	618	-	-	**618**
Current Assets	82,541		49,102	**131,643**
Current Liabilities	(5,837)	-	-	**(5,837)**
	77,322	**-**	**49,102**	**126,424**

At 1 January 2024	Unrestricted funds	Designated funds	Restricted funds	Total Funds
	£	£	£	£
Tangible Fixed Assets	1,599	-	-	**1,599**
Current Assets	51,165	74,859	40,677	**166,701**
Current Liabilities	(36,434)	-	-	**(36,434)**
	16,330	**74,859**	**40,677**	**131,866**

Notes to the Accounts for the year ended 31 December 2024

16 Change in total funds over the year as shown in Note 15 , analysed by individual funds

	Funds brought forward from 2023	Movement in funds in 2024	Transfers between funds in 2024	Funds carried forward to 2025
		See Note 17	See Note 18	
	£	£	£	£
Unrestricted and designated funds:-				
Unrestricted Revenue Funds	16,330	(13,867)	21,370	23,833
Designated Revenue Funds	74,859	-	(21,370)	53,489
Total unrestricted and designated funds	91,189	(13,867)	-	77,322
Restricted funds:-				
The National Lottery Community Fund Partnerships North Western Region	27,300	(4,294)	-	23,006
Steel Charitable Trust	1,034	(1,034)	-	-
PH Holt	4,725	(4,725)	-	-
Magenta Living	4,469	(4,469)	-	-
Wirral Lifelong Learning contract	1,420	(1,420)	-	-
Wirral Borough Council Alliance	1,729	2,203	-	3,932
The Lewin Trust	-	6,131	-	6,131
Northern Consortium	-	7,105	-	7,105
The Lloyds Bank Foundation	-	8,928	-	8,928
Total restricted funds	40,677	8,425	-	49,102
Total charity funds	131,866	(5,442)	-	126,424

17 Analysis of movements in funds over the year as shown in Note 16

	Income	Expenditure	Other Gains & Losses	Movement in funds
	2024	2024	2024	2024
	£	£	£	£
Unrestricted and designated funds:-				
Unrestricted Revenue Funds	42,719	(56,586)	-	(13,867)
Restricted funds:-				
The National Lottery Community Fund Partnerships North W	20,462	(24,756)	-	(4,294)
Wirral Borough Council family hubs	14,400	(14,400)	-	-
Steel Charitable Trust	-	(1,034)	-	(1,034)
PH Holt	-	(4,725)	-	(4,725)
Magenta Living	-	(4,469)	-	(4,469)
Wirral Lifelong Learning contract	3,719	(5,139)	-	(1,420)
Wirral Borough Council Alliance	60,000	(57,797)	-	2,203
Wirral Borough Council Befriending	4,167	(4,167)	-	-
The Lewin Trust	15,000	(8,869)	-	6,131
Northern Consortium	16,509	(9,404)	-	7,105
The Lloyds Bank Foundation	18,000	(9,072)	-	8,928
	194,976	(200,418)	-	(5,442)

The Foundation Years Trust

Notes to the Accounts for the year ended 31 December 2024

18 Details of transfers between funds

The transfers shown in note 16 above are:-	**2024**
	£
To/(from) Unrestricted Revenue Funds	21,370
To/(from) Designated Revenue Funds	(21,370)
Net transfers	-

19 The purposes for which the funds as detailed in note 16 are held by the charity are:-

Unrestricted and designated funds:-

Unrestricted Revenue Funds	These funds are held for the meeting the objectives of the charity and to provide reserves for future activities which, subject to charity legislation, are free from all restrictions on their use.
Designated Funds	These funds are also free from all restrictions on use. However, they have been designated to cover essential running or salary costs to ensure FYT can continue to meet it's statutory obligations and plug any gaps in funding from other donors.

Restricted funds:-

The National Lottery Community Fund Partnerships North Western Region	Three year funding for Wirral Partnership for Thriving Families. This is in partnership with Koala North West, Ferries Families, and Caritas Diocese of Shrewsbury and only the amount of grant due to the Foundation Years Trust is shown as income. See also note 10.
Steel Charitable Trust	This was a grant towards the School Programmes Coordinator and the Community Engagement Coordinator.
PH Holt	The final tranche of a three year grant to improve speech and language development of children 0-2 years, with a focus on children transitioning to nursery with practical activities in order to be school ready.
Magenta Living	Grant to run two new parent and child groups at Magenta Community Centres between September 2023 and July 2024.
Wirral Lifelong Learning contract	Funds received towards the running of 'Multiply' groups.
Wirral Borough Council Alliance	This represents five year funding of the Early Alliance project in partnership with Koala North West.

20 Ultimate controlling party

The charity is under the control of its legal members.

Every member of the charity is obliged to contribute such amount as may be required not exceeding £1 to the assets of the company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

The Foundation Years Trust

Detailed analysis of income and expenditure for the year ended 31 December 2024 as required by the SORP 2015

This analysis is classsified by conventional nominal descriptions and not by activity.

21 Donations, Grants and Legacies

	Current year Unrestricted Funds 2024 £	Current year Restricted Funds 2024 £	Current year Total Funds 2024 £	Prior Year Total Funds 2023 £
Donations and gifts from individuals				
Small donations individually less than £1000	378	-	**378**	91
Total donations and gifts from individuals	**378**	**-**	**378**	**91**

	Current year Unrestricted Funds 2024 £	Current year Restricted Funds 2024 £	Current year Total Funds 2024 £	Prior Year Total Funds 2023 £
Revenue grants from government and public bodies				
The National Lottery Community Fund	-	20,462	**20,462**	22,275
Wirral Borough Council Family Hubs	-	14,400	**14,400**	-
Wirral Borough Council Cost of Living	-	-	**-**	6,698
DFE via National Literary Trust	-	-	**-**	10,700
Total public sector revenue grants	**-**	**34,862**	**34,862**	**39,673**

Revenue grants from government and public bodies - Prior Year analysis

	Prior Year Unrestricted Funds 2023 £	Prior Year Restricted Funds 2023 £	Prior Year Total Funds 2023 £
Prior Year	-	39,673	**39,673**

The Foundation Years Trust

Detailed analysis of income and expenditure for the year ended 31 December 2024 as required by the SORP 2015

	Current year Unrestricted Funds 2024 £	Current year Restricted Funds 2024 £	Current year Total Funds 2024 £	Prior Year Total Funds 2023 £
Revenue grants and donations from non public bodies				
Small grants individually less than £1000	-	-	-	2,399
Lloyds Bank Foundation	-	18,000	**18,000**	-
Northern Consortium	-	16,509	**16,509**	-
The Lewin Trust	-	15,000	**15,000**	-
Anne Duchess of Westminster's Fund	9,500	-	**9,500**	-
The Tudor Trust	5,000	-	**5,000**	32,500
John Armitage Charitable Trust	24,025	-	**24,025**	37,225
Garfield Weston	-	-	-	20,000
Steel Charitable Trust	-	-	-	10,000
PH Holt	-	-	-	8,000
Magenta	-	-	-	7,610
Pilkington, Kelly Family	-	-	-	10,000
Duchy Lancaster, Eleanor and Elizabeth Rathbone	-	-	-	7,500
Total private sector revenue grants	**38,525**	**49,509**	**88,034**	**135,234**

Revenue grants and donations from non public bodies (Include Gift Aid donations from subsidiaries) - Prior Year analysis

	Prior Year Unrestricted Funds 2023 £	Prior Year Restricted Funds 2023 £	Prior Year Total Funds 2023 £
Prior Year	89,725	45,509	**135,234**
Total Donations, Grants and Legacies	**38,903**	**84,371**	**123,274**	**174,998**

Prior year	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Prior Year Total Funds 2023 £
Total Donations, Grants and Legacies	**89,816**	**85,182**	**174,998**

The Foundation Years Trust

Detailed analysis of income and expenditure for the year ended 31 December 2024 as required by the SORP 2015

22 Income from charitable activities - Trading Activities

Current year	Current year Unrestricted Funds 2024 £	Current year Restricted Funds 2024 £	Current year Total Funds 2024 £	Prior Year Total funds 2023 £
Primary purpose and ancillary trading				
Fees received	360	-	**360**	450
Total Primary purpose and ancillary trading	**360**	**-**	**360**	**450**

23 Charitable income from funders

	Current year Unrestricted Funds 2024 £	Current year Restricted Funds 2024 £	Current year Total Funds 2024 £	Prior Year Total Funds 2023 £
Contractual payments from public bodies to fund charitable activities				
Wirral Borough Council	-	60,000	**60,000**	57,603
Wirral Borough Council Lifelong Learning	-	3,719	**3,719**	7,438
Wirral Bourough Council Befriending	-	4,167	**4,167**	-
Total contractual payments from public bodies	**-**	**67,886**	**67,886**	**65,041**

Contractual payments from public bodies to fund charitable activities - Prior Year analysis

	Prior Year Unrestricted Funds 2023 £	Prior Year Restricted Funds 2023 £	Prior Year Total Funds 2023 £
Prior Year	**-**	**65,041**	**65,041**

	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Prior Year Total Funds 2023 £
Total Charitable income from funders:-				
Current year - income from funders	**-**	**67,886**	**67,886**	**65,041**

The Foundation Years Trust

Detailed analysis of income and expenditure for the year ended 31 December 2024 as required by the SORP 2015

Prior year	Prior Year Unrestricted Funds 2023 £	Prior Year Restricted Funds 2023 £	Prior Year Total Funds 2023 £
Prior Year - Income from funders	**-**	**65,041**	**65,041**

24 Total Income from charitable activities

Current year	Current year Unrestricted Funds 2024 £	Current year Restricted Funds 2024 £	Current year Total Funds 2024 £	Prior Year Total Funds 2023 £
Total income from charitable activities	360	-	**360**	450
Income from funders	-	67,886	**67,886**	65,041
Total from charitable activities	**360**	**67,886**	**68,246**	**65,491**

Income from charitable activities - Prior Year analysis

Prior year	Prior Year Unrestricted Funds 2023 £	Prior Year Restricted Funds 2023 £	Prior Year Total Funds 2023 £
Total income from charitable activities	450	-	450
Income from funders	-	65,041	65,041
	450	**65,041**	**65,491**

25 Investment income

	Current year Unrestricted Funds 2024 £	Current year Restricted Funds 2024 £	Current year Total Funds 2024 £	Prior Year Total Funds 2023 £
Bank Interest Receivable	3,456	-	**3,456**	2,821
Total investment income	**3,456**	**-**	**3,456**	**2,821**

Detailed analysis of income and expenditure for the year ended 31 December 2024 as required by the SORP 2015

26 Expenditure on charitable activities - Direct spending

Current Year	Current year Unrestricted Funds 2024 £	Current year Restricted Funds 2024 £	Current year Total Funds 2024 £	Prior Year Total Funds 2023 £
Gross wages and salaries - charitable activities	41,283	117,499	**158,782**	190,816
Employers' NI - Charitable activities	2,148	6,112	**8,260**	10,668
Defined contribution pension costs - charitable activities	2,429	5,358	**7,787**	9,038
Programme delivery & shared costs	362	7,809	**8,171**	29,252
Total direct spending	**46,222**	**136,778**	**183,000**	**239,774**

Prior Year	Prior Year Unrestricted Funds 2023 £	Prior Year Restricted Funds 2023 £	Prior Year Total Funds 2023 £
Gross wages and salaries - charitable activities	58,612	132,204	**190,816**
Employers' NI - Charitable activities	3,531	7,137	**10,668**
Defined contribution pension costs - charitable activities	3,534	5,504	**9,038**
Programme delivery & shared costs	19,152	10,100	**29,252**
Total direct spending	**84,829**	**154,945**	**239,774**

27 Expenditure on charitable activities - Charitable trading

Current Year	Current year Unrestricted Funds 2024 £	Current year Restricted Funds 2024 £	Current year Total Funds 2024 £	Prior Year Total Funds 2023 £
Reallocated from support costs	11,479	3,847	**15,326**	21,963
Total charitable activities costs	**11,479**	**3,847**	**15,326**	**21,963**

The Foundation Years Trust

Detailed analysis of income and expenditure for the year ended 31 December 2024 as required by the SORP 2015

28 Support costs for charitable activities

Current Year	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2024	2024	2024	2023
	£	£	£	£
Employee costs not included in direct costs				
Training and welfare - staff	152	1,086	**1,238**	2,064
Payroll fees and charges	603	-	**603**	604
Travel and subsistence - staff	64	735	**799**	2,090
Volunteer costs				
Volunteers' expenses	-	29	**29**	-
Premises Expenses				
Rent	1,195	1,625	**2,820**	5,640
Administrative overheads				
IT, website and phones	3,932	1,807	**5,739**	7,246
Stationery and printing	37	1,172	**1,209**	2,289
Publications and subscriptions	267	600	**867**	224
Insurance	981	-	**981**	810
Financial costs				
Bank charges	60	-	**60**	56
Depreciation & Amortisation in total for the period	981	-	**981**	940
Support costs before reallocation	**8,272**	**7,054**	**15,326**	**21,963**
Less support costs reallocated to specific activities				
To charitable activities	(11,479)	(3,847)	**(15,326)**	(21,963)
Total support costs - Current Year	**(3,207)**	**3,207**	**-**	**-**
				-
Support costs for charitable activities - prior year				
				-
Employee costs not included in direct costs				
Training and welfare - staff	1,119	945	**2,064**	
Travel and subsistence - staff	1,465	625	**2,090**	
Administrative overheads				
IT, website and phones	5,963	1,283	**7,246**	
Stationery and printing	1,548	741	**2,289**	
Support costs before reallocation	**18,369**	**3,594**	**21,963**	
Total support costs - Prior Year	**(3,594)**	**3,594**	**-**	

Detailed analysis of income and expenditure for the year ended 31 December 2024 as required by the SORP 2015

29 Other Expenditure - Governance costs

Current Year	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2024	2024	2024	2023
	£	£	£	£
Independent Examiner's fees	1,800	-	**1,800**	1,800
Trustees' expenses	133	-	**133**	244
Other governance costs	159	-	**159**	544
Total Governance costs	**2,092**	**-**	**2,092**	**2,588**

30 Total Charitable expenditure

Current Year	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2024	2024	2024	2023
	£	£	£	£
Total direct spending	46,222	136,778	**183,000**	239,774
Total charitable activities costs	11,479	3,847	**15,326**	21,963
Total support costs	(3,207)	3,207	**-**	-
Total Governance costs	2,092	-	**2,092**	2,588
Total charitable expenditure	**56,586**	**143,832**	**200,418**	**264,325**

Prior Year	Prior Year Unrestricted Funds	Prior Year Restricted Funds	Prior Year Total Funds
	2023	2023	2023
	£	£	£
Total direct spending	84,829	154,945	**239,774**
Total charitable activities costs	21,963	-	**21,963**
Total support costs	(3,594)	3,594	**-**
Total Governance costs	2,588	-	**2,588**
Total charitable expenditure	**105,786**	**158,539**	**264,325**

THE FOUNDATION YEARS TRUST

England & Wales - Charity number 1149609

Accounts

The Foundation Years Trust

(A company limited by guarantee)

INDEPENDENTLY EXAMINED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

Company Number: 08194371
Charity Number: 1149609

c/o Seacombe Children's Centre
St Pauls Road
Wallasey
Wirral
CH44 7AN

THE FOUNDATION YEARS TRUST
ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023

COMPANY INFORMATION

TRUSTEES

Marcus Bell	(Acting Chairman until 9 October 2023)
Dr Dermot Coleman	(Acting Treasurer from 1 February 2024)
Janice Darkes-Sutcliffe	(Chairperson from 9 October 2023)
Simon Fuller	(Treasurer until resigned 31 January 2024)
Elizabeth Hartley	
Joanna Healey	
Kelleigh Elizabeth Hoy	(appointed 26 April 2023)
Rosaline Helen Ann Piper	(appointed 26 April 2023)
Sandhya Singh	(appointed 30 January 2023)

REGISTERED OFFICE

c/o Seacombe Children's Centre
St Pauls Road
Wallasey
Wirral
CH44 7AN

CHARITY NUMBER

1149609

COMPANY NUMBER

08194371

INDEPENDENT EXAMINER

Matthew Brown, CPFA
Adding Value Consultancy Ltd
Bluecoat Chambers
School Lane Liverpool L1 3BX

THE FOUNDATION YEARS TRUST
ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023

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THE FOUNDATION YEARS TRUST
ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023

TRUSTEES' REPORT

The Trustees present their annual report and financial statements for the year ended 31 December 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charitable company's Memorandum and Articles of Association, the Companies Act 2006 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 UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The aim of the Trust is to improve the outcomes of early years children, particularly those who are disadvantaged by poverty. Specifically, the Trust identified the Home Learning Environment (HLE) as being a significant lever in improving the life chances of children. The attainment gap between children living in economic disadvantage and those from more affluent backgrounds remains significant, despite nurseries and schools' work to improve over the years. Using evidence-based frameworks to provide adult learning programmes for parents/carers and other significant adults, we aim to improve adult interaction with babies and young children.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charitable company should undertake.

Activities in the year

The Trust continued to offer high quality activities for families with 0–5-year-olds in community venues, through schools, and ad-hoc events.

The more family focused branding with the elephant logo and strapline 'Parents Make The Difference' was adopted at the beginning of the year, to move away from the generic FYT logo. The rebrand continued with a new website, launched in June 23.

The 'Little Talkers' programme was re-run and tested during the spring term, with the aim of finding ongoing funding to roll this out. Furthermore, a Grandparents Group was established to support the growing number of Grandparents undertaking childcare responsibilities due to rising costs.

Both First 1001 Days funding, and Hungry Little Minds programmes ended in March 2023. However, both continue to have great influence across FYT and Wirral as whole. As the Family Hubs spring into being, the outcomes of both pieces of work continue to shape the work with early years children across Wirral.

New schools were recruited to the programme, receiving Peep Learning Together training from our team and support to deliver their own weekly groups for parents and children, thus strengthening partnerships with parents and enhancing the home learning experience for children.

TRUSTEES' REPORT (continued)

Volunteers continued to play an important role in the work of FYT during the year, delivering home reading activities to complement Wirral's book gifting programme and supporting community groups and events.

The year presented some changes to the governance structures of FYT as the National Director left and the Local Director took over in a new role as CEO.

The board of Trustees also had some changes, with three new trustees coming on board, and a new Chairperson taking over.

A three-year strategy was adopted to provide clear direction for the Trustees and team.

Partnerships continued to develop. The Trust is integral to the Early Help Alliance, being one of the 7 alliance members, and alongside the monitoring and evaluation, the Trust also coordinates the coproduction work. Consequently, our own coproduction approach has developed significantly during the year, and we continue on the journey to engage families in the design and implementation of our services.

The Trust continued to lead the First Five Collective, holding a second year of festivals across all six areas of the Liverpool City Region, in partnership with a wide range of organisations from each of those boroughs.

Fundraising continues to be an important part of the work to secure the future of the organisation.

Future Plans

The charity continues to work with families of 0–5-year-olds, supporting home learning experiences. As we embark on year 2 of our 3-year strategy, our focus is to reach families from economically disadvantaged communities. We plan to:

- Continue to build partnerships with other organisations, to enhance and extend our own work, and explore opportunities for further funding,
- Begin a process of engaging school partners, with the aim of learning more about the benefits and barriers of the programme, and to produce a manual with which to expand the programme across Wirral,
- Continue to provide opportunities for families to attend our groups, learning about ways they can support their child's learning and development,
- Further develop the programme of professional development for early years professionals in relevant topics to enhance their skills in supporting parents
- Explore methods of engaging private and independent early years settings, to develop a version of the programme they can participate in and support parents in providing home learning experiences.

This necessitates the ongoing fundraising activity to secure sufficient funds.

Financial review

Income for the year was £317,135 (2022: £356,499) and expenditure was £338,150 (2022: £349,395). This resulted in a deficit for the year of £21,015 (2022: a surplus of £7,104).
As at 31 December 2023 unrestricted reserves stood at £91,189 (2022: £103,888) and restricted reserves were £40,677 (2022: £48,993) making total reserves of £131,866 (2022: £152,881).

TRUSTEES' REPORT (continued)

Reserves policy

It is the policy of the Trust to maintain both restricted and unrestricted funds at a level which equates to at least three months of expenditure to ensure that the Trust can continue to operate should difficulties in receiving income occur in the short term. This will also ensure that the Trust is able to close down at the end of its funding cycle, meeting all statutory staffing and operational costs. The level of expenditure for 2023 was £338,150 which gives a reserves policy target of £84,538.

The Trust's restricted and unrestricted reserves held at the year-end amounted to £131,866 (2022: £152,881 which covers the charity's reserve policy. Unrestricted reserves are minimal and strategically managed to protect the charity's financial sustainability. The majority of the Trust's activities in the year to 31 December 2023 were funded by restricted grants and given that it is likely that the charity's costs will continue to be funded by restricted income in the immediate term, the Trustees consider that sufficient funds will be available to cover management and administration support costs for the foreseeable future.

Principal risks and uncertainties

The Trustees have assessed the major risks to which the charitable company is exposed and are satisfied that systems are in place to mitigate exposure to the major risks. Additionally, the Trust maintains a risk register which supports the monitoring and discussion of these risks, which was updated to include the potential risk from Covid-19 on both the method of programme delivery and any threat to the funding sources and strategy.

All Trustees are also allocated specific areas of responsibility for governance through the Trust's policies, which also inform the working practices and ensure the company complies with relevant legislation.

Structure, governance and management.

The charitable company is a company limited by guarantee without share capital governed by its memorandum and articles of association.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Marcus Bell
Dr Dermot Coleman
Janice Darkes-Sutcliffe
Simon Fuller (resigned 31 January 2024)
Elizabeth Hartley
Joanna Healey
Kelleigh Elizabeth Hoy (appointed 26 April 2023)
Rosaline Helen Ann Piper (appointed 26 April 2023)
Sandhya Singh (appointed 30 January 2023)

TRUSTEES' REPORT (continued)

None of the Trustees have any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Membership of the Charity is open to any individual over the age of 18 years whom the Board decide to admit to membership. The Trust's Articles of Association state that all Trustees automatically become members. The business of the Trust is managed by the Board, which may consist of no fewer than three and no more than twelve elected members. An additional three members can be co-opted to the Board.

The Board delegates certain operational decisions to the Executive, consisting of a number of Trustees and the CEO. This sub-committee meets at least six times a year (virtually or face-to-face) and reports decisions to the following Board.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP (FRS 102)
- make judgments and accounting estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation

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

This year the financial review requirement has changed to an Independent Examination and thus Adding Value Consultancy Ltd has been appointed in place of the previous auditor DSG.

The Trustees' Report was approved by the Board of Trustees and signed on their behalf:

Janice-Darkes Sutcliffe
Chairperson
Date: 02/05/2024

THE FOUNDATION YEARS TRUST
ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023

INDEPENDENT EXAMINER'S STATEMENT

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

I report to the trustees on our examination of the accounts for the year ended 31 December 2023.

Responsibilities and basis of report

As the charity trustees of the Trust, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act'). The trustees consider that an audit is not required for this year under section 144(2) of the Act and that an independent examination is needed.

I report in respect of my examination of the Trust's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities, applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Matthew Brown, CPFA
Adding Value Consultancy Ltd
Accountants and Financial Management Consultants
Date: 2nd May 2024

THE FOUNDATION YEARS TRUST
ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023

STATEMENT OF FINANCIAL ACTIVITIES

	Notes	2023 Unrestricted Funds £	2023 Restricted Funds £	**2023 Total Funds £**	2022 Unrestricted Funds £	2022 Restricted Funds £	2022 Total Funds £
INCOMING RESOURCES							
Incoming from:							
Donations and Legacies	3	91	0	**91**	8,951	0	8,951
Charitable Activities	4	90,175	224,048	**314,223**	79,670	267,270	346,940
Investment Income	5	2,821	0	**2,821**	608	0	608
Total Income		93,087	224,048	**317,135**	89,229	267,270	356,499
RESOURCES EXPENDED							
Expenditure on:							
Raising Funds		0	0	**0**	0	0	0
Charitable Activities	6	105,786	232,364	**338,150**	87,747	261,648	349,395
Total Expenditure		105,786	232,364	**338,150**	87,747	261,648	349,395
Net income/ (expenditure) for the year before transfers		**(12,699)**	**(8,316)**	**(21,015)**	1,482	5,622	7,104
Transfers between funds		0	0	**0**	31,172	(31,172)	0
Net Movement in Funds		**(12,699)**	**(8,316)**	**(21,015)**	32,654	(25,550)	7,104
FUNDS BROUGHT FORWARD		**103,888**	**48,993**	**152,881**	**71,234**	**74,543**	**145,777**
FUNDS CARRIED FORWARD		91,189	40,677	**131,866**	103,888	48,993	152,881

The Statement of Financial Activities includes all gains and losses recognised during the year.
All income and expenditure relates to continuing operations.

THE FOUNDATION YEARS TRUST
ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023

BALANCE SHEET AS AT 31 DECEMBER 2023

Company Number: 08194371

	Notes	2023 £	2022 £
FIXED ASSETS			
Tangible Assets	10	1,599	1,754
CURRENT ASSETS			
Debtors	11	4,626	14,447
Cash at Bank and in hand		162,075	178,254
		166,701	192,701
CREDITORS			
Amounts falling due within one year	12	36,434	41,575
NET CURRENT ASSETS		130,267	151,126
CREDITORS			
Amounts falling due after more one year		-	-
TOTAL NET ASSETS		131,866	152,880
FUNDS			
Unrestricted Funds	14	91,189	103,888
Restricted Funds	14	40,677	48,993
TOTAL FUNDS		131,866	152,881

For the year ending 31 December 2023 the company was entitled to exemption under section 477 of the Companies Act relating to small companies. The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.
The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.
These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the board of trustees on and signed on their behalf:

Janice-Darkes Sutcliffe
Chairperson
Date: 02/05/2024

NOTES TO THE ACCOUNTS

1. PRINCIPAL ACCOUNTING POLICIES

Charity information

The Foundation Years Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is c/o Seacombe Children's Centre, St Pauls Road, Wallasey, Wirral, CH44 7AN. The principal activities of the charity are disclosed in the Trustees' Report.

Accounting convention

The accounts have been prepared in accordance with the charitable company's governing document, the Companies Act 2006 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 UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charitable company is a Public Benefit Entity as defined by FRS 102.

The charitable company has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.
The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Going Concern

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

Charitable Funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in these notes to the financial statements.

Incoming Resources

Income is recognised when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charitable company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

NOTES TO THE ACCOUNTS

Legacies are recognised on receipt or otherwise if the charitable company has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Resources Expended
Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit 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.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services.

Governance costs include costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fee costs linked to the strategic management of the charity.

Tangible fixed assets
Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	33% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

Gifted assets are capitalised if valued over £250 at the point of receipt.

Cash and cash equivalents
Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

NOTES TO THE ACCOUNTS

Basic financial assets
Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets
Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate.

The impairment loss is recognised in net income/(expenditure) for the year.
If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

Derecognition of financial assets
Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charitable company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities
Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

NOTES TO THE ACCOUNTS

Derecognition of financial liabilities
Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

Employee benefits
Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Retirement Benefits
Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2.CRITICAL ACCOUNTING ESTIMATE AND JUDGEMENTS
In the application of the charitable company's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

3.INCOME FROM DONATIONS AND LEGACIES

	2023 Unrestricted Funds £	2022 unrestricted Funds £
Donations and gifts	91	8,951
	91	8,951

NOTES TO THE ACCOUNTS

4. INCOME FROM CHARITABLE ACTIVITIES

	2023 Unrestricted Funds £	2023 Restricted Funds £	2023 Total Funds £	2022 Total Funds £
Performance Related Grants	89,725	224,048	**313,773**	344,020
Earned Income	450	-	**450**	2,920
	90,175	224,048	**314,223**	346,940
Performance Related Grants				
National Lottery Community Fund	-	96,100	**96,100**	131,775
Wirral Borough Council	-	57,603	**57,603**	47,397
John Armitage Charitable Trust	37,225	-	**37,225**	8,750
Tudor Trust	32,500	-	**32,500**	22,500
Garfield Weston	20,000	-	**20,000**	20,000
DfE via National Literacy Trust	-	10,700	**10,700**	37,269
Steel Charitable Trust	-	10,000	**10,000**	-
PH Holt	-	8,000	**8,000**	8,000
Magenta	-	7,610	**7,610**	-
Wirral Life Long Learning	-	7,438	**7,438**	-
WBC Cost of Living	-	6,698	**6,698**	202
Pilkington	-	5,000	**5,000**	-
Kelly Family	-	5,000	**5,000**	-
Duchy Lancaster Ben Fund	-	3,000	**3,000**	1,800
Eleanor Rathbone Charitable Trust	-	2,500	**2,500**	-
Elizabeth Rathbone	-	2,000	**2,000**	-
Rainford	-	1,000	**1,000**	-
Merseyside Violence Reduction	-	899	**899**	4,551
Johnson Foundation	-	500	**500**	5,000
Julia & Hans Rausing Trust	-	-	-	20,000
Merseyside Community Foundation	-	-	-	12,300
Leathersellers	-	-	-	10,000
Masonic Charitable Foundation	-	-	-	5,000
Department for Health and Social Care	-	-	-	4,000
Torus - Community Investment Fund	-	-	-	3,000
LCVS - community impact fund	-	-	-	1,500
Tesco Community Grant	-		-	500
Right to Succeed	-	-	-	475
	-	-	-	-
	89,725	224,048	**313,773**	344,020

5. INVESTMENT INCOME

	2023 Unrestricted Funds £	2023 Restricted Funds £	2023 Total Funds £	2022 Total Funds £
Interest Receivable	2,821	0	**2,821**	608

NOTES TO THE ACCOUNTS

6. EXPENDITURE ON CHARITABLE ACTIVITIES

	Total 2023	Total 2022
	£	£
Staff Costs	94,297	79,188
Programme delivery	104,494	104,149
	198,791	183,337
Share of support costs	136,771	161,999
Share of governance costs	2,588	4,058
	338,150	349,394
Analysis by fund		
Unrestricted funds	105,786	87,747
Resticted funds	232,364	261,648
	338,150	349,395

7. EXPENDITURE ON SUPPORT AND GOVERNANCE

	Support Costs 2023	Governance Costs 2023	Total 2023	Total 2022
	£	£	£	£
Support Salaries	114,808	0	114,808	141,564
IT, insurance, website and phones	8,019	0	8,019	7,455
Rent	5,640	0	5,640	5,640
Sundry expenses	2,345	0	2,345	2,658
Employee expenses	2,090	0	2,090	2,921
Audit and Independent Examiner fees	0	1,800	1,800	3,708
Training	1,569	0	1,569	779
Legal and professional fees	1,136	0	1,136	548
Depreciation	940	0	940	310
Other	0	544	544	181
Trustee's expenses	0	244	244	85
Publications and subscriptions	224	0	224	124
Board Costs	0	0	0	85
	136,771	2,588	139,359	166,057
Analysed between Charitable activities	136,771	2,588	139,359	166,057

8. TRUSTEES

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charitable company during the year.

Expenses totalling £244 (2022: £85) were incurred in respect of duties undertaken by the trustees on the charity's behalf. These costs were principally travel expenses and were paid to one (2022: one) trustee.

NOTES TO THE ACCOUNTS

9. EMPLOYEES

The average monthly number of employees during the year was:

	2023	2022
Management and director	1	2
Administration	2	2
Other	5	5
Total	8	9

Employment costs

	2023	2022
	£	£
Wages and Salaries	190,816	193,334
Social Security Costs	10,668	17,880
Pensions	9,038	9,538
	210,522	220,752

The number of employees that earned more than £60,000 per annum during the period was nil (2022: nil).

10. TANGIBLE FIXED ASSETS

Costs	Fixtures, fittings and equipment £	Total £
At 1 January 2023	5,607	5,607
Disposals	0	0
Additions	785	785
At 31 December 2023	6,392	6,392
Depreciation		
At 1 January 2023	3,853	3,853
On Disposals	0	0
Charge for the year	940	940
At 31 December 2023	4,793	4,793
Net Book Value		
At 31 December 2023	1,599	1,599
At 31 December 2022	1,754	1,754

NOTES TO THE ACCOUNTS

11. DEBTORS

	2023	2022
	£	£
Prepayments and accrued income	4,626	14,447

12. CREDITORS: amounts falling due within one year

	2023	2022
	£	£
Other taxation and social security	3,649	4,240
Accruals and deferred income	32,785	37,335
	36,434	41,575

13. RESTRICTED FUNDS

	Balance at 1 January 2023	Incoming Resources	Resources Expended	Transfers between Funds	Balance at 31 December 2023
	£	£	£	£	£
Unrestricted Funds	103,888	93,087	105,786	-	91,189
Unrestricted Funds	**103,888**	**93,087**	**105,786**	**-**	**91,189**
Restricted Funds					
National Lottery Community Fund	36,597	96,100	105,397	-	27,300
Wirral Borough Council	-	57,603	55,874	-	1,729
Department for Education via National Literacy Trust	11	10,700	10,711	-	-
Steel Charitable Trust	-	10,000	8,966	-	1,034
PH Holt	3,635	8,000	6,910	-	4,725
Magenta	-	7,610	3,141	-	4,469
Wirral Lifelong Learning	-	7,438	6,018	-	1,420
WBC Cost of Living	-	6,698	6,698	-	-
Kelly Family	-	5,000	5,000	-	-
Pilkington	-	5,000	5,000	-	-
Duchy Lancaster Ben Fund	-	3,000	3,000	-	-
Eleanor Rathbone Charitable Trust	-	2,500	2,500	-	-
Elizabeth Rathbone	-	2,000	2,000	-	-
The Rainford Trust	-	1,000	1,000	-	-
Merseyside Violence Reduction	-	899	899	-	-
Johnson Foundation	-	500	500	-	-
Department for Health and Social Care	7,250	-	7,250	-	-
LCVS - community impact fund	1,500	-	1,500	-	-
Restricted Funds	**48,993**	**224,048**	**232,364**	**-**	**40,677**

NOTES TO THE ACCOUNTS

P H Holt
Final tranche of three-year grant to improve speech & language development of children 0-2 years, with a focus on children transitioning to nursery with practical activities in order to be school ready.

Department for Education via National Literacy Trust
Grant extension to 31 March 2023 for the coordination and delivery of the DfE's Hungry Little Minds campaign in Wirral.

Eleanor Rathbone Charitable Trust
Eleanor Rathbone continuation grant of £2500 towards the work of Community Engagement Coordinator.

Steel Charitable Trust
Grant towards both the School Programmes Coordinator and the Community Engagement Coordinator.

Department for Health & Social Care
Continuation of funding to support the First 1001 Days initiative in Wirral in Partnership with Koala Northwest.

Duchy Lancaster Benefit Fund
Funding for First Five Festival 2023

LCVS - Community Investment Fund
Funding towards Grandparents groups.

Johnson Foundation
Funding towards Little Talkers and Active Play sessions

National Lottery Community Fund
Three-year funding for Wirral Partnership for Thriving Families, in partnership with Koala North-West, Ferries Families and Caritas Diocese of Shrewsbury.

Wirral Borough Council
Five-year funding of Early Alliance project in partnership with Koala North-West

The Rainford Trust
Grant towards First Five Festival 2023

Kelly Family
Grant towards Community Engagement Coordinator

Pilkington
Grant towards First Five Festival 2023

Elizabeth Rathbone
Grant towards First Five Festival 2023

NOTES TO THE ACCOUNTS

Magenta Living (via Koala North-West)
Small partnership grant (£1300) via Koala North-West to run a Family fun day event for Magenta with a focus on coproduction.

Wirral Lifelong Learning
Grant to run 'Multiply' groups between August 2023 and Easter 2024.

WBC Cost of Living
Funding of family events and food vouchers to support both community cafes and families who attend our groups with the cost-of-living crisis.

Merseyside Violence Reduction
Funding for First Five Festival

Johnson Foundation
Small grant towards Summer Reading challenge 2023

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted	Restricted	2023 Total	2022 Total
	£	£	£	£
Tangible fixed assets	1,599	-	1,599	1,754
Current assets (liabilities)	89,590	40,677	130,267	151,126
	91,189	**40,677**	**131,866**	**152,881**

THE FOUNDATION YEARS TRUST

England & Wales - Charity number 1149609

Accounts

The Foundation Years Trust

(A company limited by guarantee)

INDEPENDENTLY EXAMINED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

Company Number: 08194371
Charity Number: 1149609

c/o Seacombe Children's Centre
St Pauls Road
Wallasey
Wirral
CH44 7AN

THE FOUNDATION YEARS TRUST
ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

COMPANY INFORMATION

TRUSTEES

Marcus Bell (Acting Chairman from 22 August 2022)
Dr Dermot Coleman
Janice Darkes-Sutcliffe
Simon Fuller (Treasurer)
Elizabeth Hartley
Joanna Healey
Kelleigh Elizabeth Hoy (appointed 26 April 2023)
Rosaline Helen Ann Piper (appointed 26 April 2023)
Sandhya Singh (appointed 30 January 2023)
Professor Edward Melhuish OBE (Chairman - Resigned 22 August 2022)

REGISTERED OFFICE

c/o Seacombe Children's Centre
St Pauls Road
Wallasey
Wirral
CH44 7AN

CHARITY NUMBER

1149609

COMPANY NUMBER

08194371

INDEPENDENT EXAMINER

Matthew Brown, CPFA
Adding Value Consultancy Ltd
Bluecoat Chambers
School Lane Liverpool L1 3BX

THE FOUNDATION YEARS TRUST
ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

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THE FOUNDATION YEARS TRUST
ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

TRUSTEES' REPORT

The Trustees present their annual report and financial statements for the year ended 31 December 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charitable company's Memorandum and Articles of Association, the Companies Act 2006 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 UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The Foundation Years Trust (FYT) (the Trust) was established to implement the findings of the report of the Independent Review of Poverty and Life Chances, "The Foundation Years: how to prevent poor children becoming poor adults", Field, 2010, HM Government.

The aim of the Trust is to improve the outcomes of early years children, particularly those who are disadvantaged by poverty. Specifically, the Trust identified the Home Learning Environment (HLE) as being a significant lever in improving the life chances of children. The attainment gap between children living in economic disadvantage and those from more affluent backgrounds remains significant, despite nurseries and schools' work to improve over the years. Using evidence-based frameworks to provide adult learning programmes for parents/carers and other significant adults, we aim to improve adult interaction with babies and young children.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charitable company should undertake.

Activities in the year

At the start of the year, schools were still being challenged by staff absences due to Covid. Nevertheless, eight schools persisted with running our programme and have provided some amazing data showing the impact of their groups on children, parents/carers and the schools itself. Further schools came on board in the September cohort and so more teachers and early years practitioners were trained in the Peep Learning Together programme.

2022 saw us fully develop our First 1001 Days work, with 10 community groups across the five most economically deprived wards in Wirral. We continued to strengthen our partnerships across this programme so that families would benefit from services that were joined up

FYT were also part of an alliance with six other charities to provide Wirral's Early Help services. As part of this, new partnerships were established and the Family Toolbox launched to allow families to access information and support they need. The formation of this partnership has also led to other opportunities for collaboration and joint funding bids.

The Active Play programme finally became a reality during this year, providing parents with hints, tips and ideas for supporting their child's physical development, along with resources in a lovely rucksack to take away and continue at home.

Work in schools also included Early Readers courses and My Big School Adventure courses. Both gratefully received by school staff and parents/carers alike.

TRUSTEES' REPORT

The First Five Collective gained traction, bringing together voluntary organisations from across the Liverpool City Region, culminating in a week of First Five Festivals in June, reaching families from all six boroughs. Alongside the festival, organisations carried out a survey of parents to find out their experience of parenthood during the first few months after birth. The report has since been circulated to support decision making for service providers.

The Hungry Little Minds work continued to roll on, providing families with lots of lovely activities and resources both physically and virtually, to support the home learning environment. The team supported Birkenhead Parks' 175th Birthday by re-staging the Story Trail and worked with partners to provide a fun day for families to celebrate the Troll's Birthday too.

Other events were supported over the year, including several family fun days. The team also worked in partnership with Wirral's Library team to develop a Rhyme Challenge over the summer.

Volunteers continued to play an important role in the work of FYT during the year, delivering home reading activities to complement Wirral's book gifting programme.

Plans for the Future

- Complete and launch 3 year strategy.
- Expand Schools programme across Wirral.
- Launch Little Talkers (speech and language programme).
- Test coproduction and co-design methods, both within FYT and lead for Alliance members.
- Recruit new trustees, in particular, a chairperson and treasurer.
- Continue to lead the First Five Collective, including a Festival week.
- Launch Grandparents groups, due to the rise in extended families taking on childcare responsibilities.

To deliver these plans it will be important to continue fundraising activities to underpin the long term financial viability of the trust/charity.

Financial review

Income for the year was £356,499 (2021: £297,333) and expenditure was £349,395 (2021: £255,808). This resulted in a surplus for the year of £7,104 (2021: a surplus of £41,525).
As at 31 December 2022 unrestricted reserves stood at £103,888 (2021: £71,234) and restricted reserves were £48,993 (2021: £74,543) making total reserves of £152,881 (2021: £145,777).

It should be noted that the previous years' fund balances did not make any accruals for any multi-year grant income secured, but not yet received, to fund the related project expenditure already incurred. This method has been used to account for this financial year period and accrued income balances placed accordingly. The reason for this change is because Trustees consider this approach more accurately reflects income related to the year in question. It also ensures income and expenditure match, based on the year they account to.

TRUSTEES' REPORT

Reserves policy
It is the policy of the Trust to maintain both restricted and unrestricted funds at a level which equates to at least three months of expenditure to ensure that the Trust can continue to operate should difficulties in receiving income occur in the short term. This will also ensure that the Trust is able to closedown at the end of its funding cycle, meeting all statutory staffing and operational costs. As expenditure in 2023 is projected to be £363,654, this would amount to £90,913.

The Trust's restricted and unrestricted reserves held at the year-end amounted to £152,881 which covers the charity's reserve policy. Unrestricted reserves are minimal and strategically managed to protect the charity's financial sustainability. The majority of the Trust's activities in the year to 31 December 2022 were funded by restricted grants and given that it is likely that the charity's costs will continue to be funded by restricted income in the immediate term, the Trustees consider that sufficient funds will be available to cover management and administration support costs for the foreseeable future.

Principal risks and uncertainties
The Trustees have assessed the major risks to which the charitable company is exposed and are satisfied that systems are in place to mitigate exposure to the major risks. Additionally, the Trust maintains a risk register which supports the monitoring and discussion of these risks, which was updated to include the potential risk from Covid-19 on both the method of programme delivery and any threat to the funding sources and strategy.

All Trustees are also allocated specific areas of responsibility for governance through the Trust's policies, which also inform the working practices and ensure the company complies with relevant legislation.

Structure, governance and management
The charitable company is a company limited by guarantee without share capital governed by its memorandum and articles of association.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:
Marcus Bell
Dr Dermot Coleman
Janice Darkes-Sutcliffe
Simon Fuller
Elizabeth Hartley
Joanna Healey
Professor Edward Melhuish OBE (Resigned 22 August 2022)

None of the Trustees have any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Membership of the Charity is open to any individual over the age of 18 years whom the Board decide to admit to membership. The Trust's Articles of Association state that all Trustees automatically become members. The business of the Trust is managed by the Board, which may consist of no fewer than three and no more than twelve elected members. An additional three members can be co-opted to the Board.

TRUSTEES' REPORT

The Board delegates certain operational decisions to the Executive, consisting of at least four Trustees and the Trust Director. This sub-committee meets at least six times a year (virtually and face-to-face) and reports decisions to the following Board. The Trust employs a Trust Director as well as a Local Director.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP (FRS 102)
- make judgments and accounting estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation

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

This year the financial review requirement has changed to an Independent Examination and thus Adding Value Consultancy Ltd has been appointed in place of the previous auditor DSG.

The Trustees' Report was approved by the Board of Trustees and signed on their behalf:

Marcus Bell
Acting Chair
Date: 17/07/2023



THE FOUNDATION YEARS TRUST
ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

INDEPENDENT EXAMINER'S STATEMENT

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

I report to the trustees on our examination of the accounts for the year ended 31 December 2022.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act'). The trustees consider that an audit is not required for this year under section 144(2) of the Act and that an independent examination is needed.

I report in respect of my examination of the Trust's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities, applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Matthew Brown, CPFA
Adding Value Consultancy Ltd
Accountants and Financial Management Consultants
Date: 17/07/2023

THE FOUNDATION YEARS TRUST
ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

STATEMENT OF FINANCIAL ACTIVITIES

	Notes	2022 Unrestricted Funds £	2022 Restricted Funds £	**2022 Total Funds £**	2021 Unrestricted Funds £	2021 Restricted Funds £	2021 Total Funds £
INCOMING RESOURCES							
Incoming from:							
Donations and Legacies	3	8,951	0	**8,951**	3,594	0	3,594
Charitable Activities	4	79,670	267,270	**346,940**	0	293,687	293,687
Investment Income	5	608	0	**608**	52	0	52
Total Income		89,229	267,270	**356,499**	3,646	293,687	297,333
RESOURCES EXPENDED							
Expenditure on:							
Charitable Activities	6	87,747	261,648	**349,395**	2,345	253,463	255,808
Total Expenditure		87,747	261,648	**349,395**	2,345	253,463	255,808
Net income/(expenditure) for the year before transfers		**1,482**	**5,622**	**7,104**	1,301	40,224	41,525
Transfers between funds		31,172	(31,172)	**0**	6,495	(6,495)	0
Net Movement in Funds		**32,654**	**(25,550)**	**7,104**	7,796	33,729	41,525
FUNDS BROUGHT		71,234	74,543	**145,777**	63,438	40,814	104,252
FUNDS CARRIED FORWARD		103,888	48,993	**152,881**	71,234	74,543	145,777

The Statement of Financial Activities includes all gains and losses recognised during the year.
All income and expenditure relate to continuing operations.

THE FOUNDATION YEARS TRUST
ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

BALANCE SHEET AS AT 31 DECEMBER 2022

Company Number: 08194371

	Notes	2022 £	2021 £
FIXED ASSETS			
Tangible Assets	10	1,754	0
CURRENT ASSETS			
Debtors	11	14,447	
Cash at Bank and in hand		178,254	151,879
		192,702	151,879
CREDITORS			
Amounts falling due within one year	12	(41,575)	(6,102)
NET CURRENT ASSETS		151,127	145,777
TOTAL NET ASSETS		152,881	145,777
FUNDS			
Unrestricted Funds		103,888	71,234
Restricted Funds	13	48,993	74,543
TOTAL FUNDS		152,881	145,777

For the year ending 31 December 2022 the company was entitled to exemption under section 477 of the Companies Act relating to small companies. The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the board of trustees on and signed on their behalf:

Marcus Bell
Acting Chair
Date: 17/07/2023



NOTES TO THE ACCOUNTS

1. PRINCIPAL ACCOUNTING POLICIES

Charity information

The Foundation Years Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is c/o Seacombe Children's Centre, St Pauls Road, Wallasey, Wirral, CH44 7AN. The principal activities of the charity are disclosed in the Trustees' Report.

Accounting convention

The accounts have been prepared in accordance with the charitable company's governing document, the Companies Act 2006 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 UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charitable company is a Public Benefit Entity as defined by FRS 102.

The charitable company has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.
The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Going Concern

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

Charitable Funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in these notes to the financial statements.

Incoming Resources

Income is recognised when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charitable company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

NOTES TO THE ACCOUNTS

Legacies are recognised on receipt or otherwise if the charitable company has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Resources Expended
Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit 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.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services.

Governance costs include costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fee costs linked to the strategic management of the charity.

Tangible fixed assets
Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	33% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

Gifted assets are capitalised if valued over £250 at the point of receipt.

Cash and cash equivalents
Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

NOTES TO THE ACCOUNTS

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate.

The impairment loss is recognised in net income/(expenditure) for the year.
If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charitable company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

NOTES TO THE ACCOUNTS

Derecognition of financial liabilities
Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

Employee benefits
Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Retirement Benefits
Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2.CRITICAL ACCOUNTING ESTIMATE AND JUDGEMENTS
In the application of the charitable company's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

3. INCOME FROM DONATIONS AND LEGACIES

	2022 unrestricted Funds	2021 unrestricted Funds
	£	£
Donations and gifts	**8,951**	1,684
Coronavirus Job Retention Scheme	**-**	1,910
	8,951	3,594

NOTES TO THE ACCOUNTS

4. INCOME FROM CHARITABLE ACTIVITIES

	2022 Unrestricted Funds £	2022 Restricted Funds £	2022 Total Funds £	2021 Total Funds £
Performance Related Grants	76,750	267,270	344,020	293,687
Earned Income	2,920	-	2,920	-
	79,670	267,270	346,940	293,687
Performance Related Grants				
National Lottery Community Fund	-	131,775	131,775	-
Wirral Borough Council	-	47,397	47,397	-
Department for Education via National Literacy Trust	-	37,269	37,269	42,659
Tudor Trust	22,500	-	22,500	32,000
Garfield Weston	20,000	-	20,000	-
Julia & Hans Rausing Trust	20,000	-	20,000	-
Merseyside Community Foundation	-	12,300	12,300	-
Leathersellers	-	10,000	10,000	10,000
John Armitage Charitable Trust	8,750	-	8,750	70,000
PH Holt	-	8,000	8,000	18,000
Johnson Foundation	-	5,000	5,000	-
Masonic Charitable Foundation	5,000	-	5,000	-
Merseyside Violence Reduction	-	4,551	4,551	-
Department for Health and Social Care	-	4,000	4,000	78,000
Torus - Community Investment Fund	-	3,000	3,000	-
Duchy Lancaster Ben Fund	-	1,800	1,800	-
LCVS - community impact fund	-	1,500	1,500	-
Tesco Community Grant	500		500	-
Right to Succeed	-	475	475	5,217
WBC Cost of Living	-	202	202	-
Steel Charitable Trust	-	-	-	15,000
John Moore Foundation	-	-	-	5,000
Eleanor Rathbone Charitable Trust	-	-	-	5,000
Liverpool Charity & Voluntary Services	-	-	-	2,500
Seacombe Advisory Board	-	-	-	3,350
Comic Relief	-	-	-	2,000
Wirral Council FSM Fund	-	-	-	1,800
Big Local Funding	-	-	-	1,661
Hemby Trust	-	-	-	1,500
	76,750	267,270	344,020	293,687

5. INVESTMENT INCOME

	2022 Unrestricted Funds £	2022 Restricted Funds £	2022 Total Funds £	2021 Total Funds £
Interest Receivable	608	0	608	52

NOTES TO THE ACCOUNTS

6. EXPENDITURE ON CHARITABLE ACTIVITIES

	Total 2022 £	Total 2021 £
Staff Costs	79,188	59,459
Programme delivery	104,149	35,952
	183,338	95,411
Share of support costs	161,999	158,233
Share of governance costs	4,058	2,164
	349,395	255,808
Analysis by fund		
Unrestricted funds	87,747	2,345
Resticted funds	261,648	253,463
	349,395	255,808

7. EXPENDITURE ON SUPPORT AND GOVERNANCE

	Support Costs £	Governance Costs £	**Total 2022 £**	Total 2021 £
Audit and Independent Examiner fees	0	3,708	**3,708**	1,818
Other	0	181	**181**	346
Trustee's expenses	0	85	**85**	0
Board Costs	0	85	**85**	0
Support Salaries	141,564	0	**141,564**	139,997
Rent	5,640	0	**5,640**	5,640
Sundry expenses	2,658	0	**2,658**	2,052
Employee expenses	2,921	0	**2,921**	963
IT, website and phones	7,455	0	**7,455**	5,652
Training	779	0	**779**	2,563
Publications and subscriptions	124	0	**124**	124
Legal and professional fees	548	0	**548**	1,242
Depreciation	310	0	**310**	0
	161,999	4,058	**166,057**	160,397
Analysed between Charitable activities	161,999	4,058	**166,057**	160,397

Governance costs includes the Independent Examiner's fee of £1,800 for 2022 and also audit fees of £1,908 relating to 2021.

8. TRUSTEES

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charitable company during the year.

Expenses totalling £85 (2021: £nil) were incurred in respect of duties undertaken by the trustees on the charity's behalf. These costs were principally travel expenses and were paid to one (2021: nil) trustee.

NOTES TO THE ACCOUNTS

9. EMPLOYEES

The average monthly number of employees during the year was:

	2022	2021
Managament and director	2	2
Administration	2	2
Other	5	3
Total	9	7

Employment costs

	2022	2021
	£	£
Wages and Salaries	193,334	175,165
Social Security Costs	17,880	15,723
Pensions	9,538	8,568
	220,752	199,456

The number of employees that earned more than £60,000 per annum during the period was nil (2021: nil).

Key management personnel are considered to be the Trust Director and the Local Director. The remuneration of key management personnel is as follows:

	2022	2021
	£	£
Aggregate compensation	94,405	100,976

10. TANGIBLE FIXED ASSETS

Costs	Fixtures, fittings and equipment	Total
	£	£
At 1 January 2022	3,543	3,543
Disposals	0	0
Additions	2,064	2,064
At 31 December 2022	5,607	5,607
Depreciation		
At 1 January 2022	3,543	3,543
On Disposals	0	0
Charge for the year	310	310
At 31 December 2022	3,853	3,853
Net Book Value		
At 31 December 2022	1,754	1,754
At 31 December 2021	0	0

NOTES TO THE ACCOUNTS

11. DEBTORS

	2022	2021
	£	£
Prepayments and accrued income	14,447	0

12. CREDITORS: amounts falling due within one year

	2022	2021
	£	£
Other taxation and social security	4,240	4,002
Accruals and deferred income	37,335	2,100
	41,575	6,102

13. RESTRICTED FUNDS

Restricted Funds	Balance at 1 January 2022 £	Incoming Resources £	Resources Expended £	Transfers between Funds £	Balance at 1 January 2023 £
John Armitage Charitable Trust	31,172	-	-	(31,172)	-
Tudor Trust	55	-	55	-	-
PH Holt	6,528	8,000	10,892	-	3,636
Department for Education via National	(7,403)	37,269	29,855	-	11
Eleanor Rathbone Charitable Trust	3,500	-	3,500	-	-
Steel Charitable Trust	8,084	-	8,084	-	-
Department for Health and Social Care	26,243	4,000	22,993	-	7,250
John Moore Foundation	3,119	-	3,119	-	-
Seacombe Advisory Board	3,245	-	3,245	-	-
Leathersellers	-	10,000	10,000	-	-
Duchy Lancaster Ben Fund	-	1,800	1,800	-	-
LCVS - community impact fund	-	1,500	-	-	1,500
Torus - Community Investment Fund	-	3,000	3,000	-	-
Johnson Foundation	-	5,000	5,000	-	-
Merseyside Community Foundation	-	12,300	12,300	-	-
National Lottery Community Fund	-	131,775	95,178	-	36,597
Wirral Borough Council	-	47,397	47,397	-	-
Right to Succeed	-	475	475	-	-
WBC Cost of Living	-	202	202	-	-
Merseyside Violence Reduction	-	4,551	4,551	-	-
Restricted Funds	**74,543**	**267,270**	**261,648**	**(31,172)**	**48,993**

John Armitage Charitable Trust
The opening restricted balance of this three-year funding has been transferred to Unrestricted Funds to reflect its classification as a grant to cover core costs.

Tudor Trust
Balance of Staff Wellbeing grant given following lockdown. A new two-year funding grant has been received that will be considered as unrestricted grant income as it covers core costs.

P H Holt
Second tranche of three-year grant to improve speech & language development of children 0-2 years, with a focus on children transitioning to nursery with practical activities in order to be school ready.

NOTES TO THE ACCOUNTS

Department for Education via National Literacy Trust
For the coordination and delivery of the DfE's Hungry Little Minds campaign in Wirral

Eleanor Rathbone Charitable Trust
To purchase Dolly Parton Imagination Library books for families and part fund Community Engagement Coordinator.

Steel Charitable Trust
To support delivery of Early Explorers groups in the community and Little Explorers groups in nurseries

Department for Health & Social Care
Continuation of funding to support the First 1001 Days initiative in Wirral in Partnership with Koala North West

Department for Health & Social Care (via Koala North West)
Small grant through our partnership with Koala North-West, to raise awareness of Little Lungs with our families in person and via social media.

John Moore Foundation
Funding towards two parent partnership workers

Seacombe Advisory Board
To fund Early Readers groups

Leathersellers
Supporting parents to engage and promote their children's development in the early years.

Duchy Lancaster Benefit Fund
Funding for First Five Festival 2022

LCVS - Community Investment Fund
Funding towards Grandparents groups.

Torus – Community Investment Fund
Funding for First Five Festival 2022

Johnson Foundation
Funding towards Little Talkers and Active Play sessions

Merseyside Community Foundation
Funding for First Five Festival 2022

National Lottery Community Fund
Three-year funding for Wirral Partnership for Thriving Families, in partnership with Koala North-West, Ferries Families and Caritas Diocese of Shrewsbury.

Wirral Borough Council
Five-year funding of Early Alliance project in partnership with Koala North-West

NOTES TO THE ACCOUNTS

Right to Succeed
Purchase of Dolly Parton Imagination Library books for families.

WBC Cost of Living
Funding of family events and food vouchers to support both community cafes and families who attend our groups with the cost of living crisis.

Merseyside Violence Reduction
Funding for First Five Festival 2022

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted	Restricted	2022 Total	2021 Total
	£	£	£	£
Tangible fixed assets	1,754	0	1,754	0
Current assets (liabilities)	102,133	48,993	151,126	145,777
	103,888	**48,993**	**152,881**	**145,777**

15. OPERATING LEASE COMMITMENTS

	2022	2021
	£	£
Within one Year	**0**	526

THE FOUNDATION YEARS TRUST

England & Wales - Charity number 1149609

Accounts

Charity registration number 1149609

Company registration number 08194371 (England and Wales)

THE FOUNDATION YEARS TRUST

(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

THE FOUNDATION YEARS TRUST
(A COMPANY LIMITED BY GUARANTEE)
LEGAL AND ADMINISTRATIVE INFORMATION

Trustees as at date of approval	Marcus Bell Dr Dermot Coleman Janice Darkes-Sutcliffe Simon Fuller Elizabeth Hartley Joanna Healey Professor Edward Melhuish OBE
Charity number	1149609
Company number	08194371
Registered office	Seacombe Children's Centre St Pauls Road Wallasey Wirral CH44 7AN
Auditor	DSG Castle Chambers 43 Castle Street Liverpool L2 9TL

THE FOUNDATION YEARS TRUST
(A COMPANY LIMITED BY GUARANTEE)
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THE FOUNDATION YEARS TRUST
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees present their annual report and financial statements for the year ended 31 December 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charitable company's Memorandum and Articles of Association, the Companies Act 2006 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 UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The Foundation Years Trust (FYT) (the Trust) was established to implement the findings of the report of the Independent Review of Poverty and Life Chances, "The Foundation Years: how to prevent poor children becoming poor adults", Field, 2010, HM Government. The aim of the Trust is to develop and promote the Review's strategy to address the inter-generational transfer of poverty. The Trust's objectives are to test a series of initiatives developed from this strategy, including pilots of transferable models of local service delivery which support the Trust's wider aim. In the longer term, the Trust's objective is to work to achieve the adoption of initiatives that support the strategy across the UK.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charitable company should undertake.

Activities in the year

The start of 2021 saw a continuation of adapted programming as Covid-19 regulations continued to impact on the delivery of FYT's services. However, having successfully secured a contract to work in partnership with another local charity, FYT launched Wirral's First 1001 Days programme in the spring and by May, had groups for 0–2 years olds up and running in community venues. This new programme is a collaboration with local charity, Koala North West and Wirral Council's Children's Centres and 0–19 services. The expansion of the baby groups was facilitated by the Community Engagement Coordinator role, introduced in 2020, which enabled FYT to develop new relationships with community groups with venues in the five most deprived wards in Wirral.

The Trust trained its first volunteer in the Peep Learning Together programme as a group leader and introduced peer support roles in groups for other volunteers. FYT also created and piloted a volunteer-led in-home reading support programme to complement a new book gifting scheme for 0–2-year-olds, as part of the First 1001 Days programme.

Through the Hungry Little Minds project, the charity launched the Story Trail in Birkenhead Park. The event was supported by local partners including Children's Centre staff, charities and Wirral libraries. FYT also launched a book corner initiative with several cafés in our target wards.

The Trust provided training to a new cohort of nursery staff and in the autumn were able to start running nursery-based groups again for the first time since March 2020.

At year end, FYT secured a contract as part of Wirral's Early Help Alliance, along with six other charities. The new early help model will be launched in spring 2022.

During the year the Trust was able to restart our work to create an Early Years Network across the Liverpool City Region, with the support of the Poverty and Life Chances Standing Action Group and VS6.

Achievements and performance

Progress to date

- Five baby groups (Early Explorers) up and running in community venues – expanded from two pre-Covid.
- Nursery staff trained in Partnership with Parents and the Peep Learning Together Programme and five nurseries delivering Little Explorers groups, with continued implementation support from FYT's team.
- Provided three Early Readers courses in school nurseries.
- New partnership contract with another local charity to deliver Wirral's 1001 First Days programme which aims to increase collaboration and strategic planning between stakeholders working with 0–2-year-olds.
- Continued to work with 6 volunteers and develop the peer support programme. Volunteers were also engaged in the design of the 1001 First Days programme.
- Launched the Hungry Little Minds (HLM) Story Trail, attended by around 140 families. HLM banners were put up in the family section of local football team Tranmere Rover's stadium, promoting key messages on early years.
- Created a new Liverpool City Region Early Years Network with over 20 members by the year end, cementing our ambition to build relationships outside Wirral that could lead to expanding the services.
- Secured a role as part of Wirral's innovative new Early Help model.

Plans for the future

- Develop Wirral's Early Help programme with Alliance partners.
- Continue to build on the successes of the First 1001 Days programme, evaluating the impact on families and of the partnership on systemic changes in Wirral's early years sector.
- Build up numbers of nurseries participating in our programme – back to pre-Covid numbers.
- Invest in volunteers and parents accessing services to improve co-production within FYT and across Alliance partners.
- Deliver an Early Years Festival across the Liverpool City Region and build on the new Early Years Network to promote the early years and the role of the VCSE sector.
- Produce FYT's five-year strategy.

Financial review

Income for the year was £297,333 (2020: £204,691) and expenditure was £255,808 (2020: £250,455). This resulted in a surplus for the year of £41,525 (2020: a deficit of £45,764).

As at 31 December 2021 unrestricted reserves stood at £71,234 (2020: £63,438) and restricted reserves were £74,543 (2020: £40,814) making total reserves of £145,777 (2020: £104,252).

Reserves policy

It is the policy of the Trust to maintain both restricted and unrestricted funds at a level which equates to at least three months of expenditure to ensure that the Trust can continue to operate should difficulties in receiving income occur in the short term. It also ensures that the Trust is able to closedown at the end of its funding cycle, meeting all statutory staffing and operational costs. As expenditure in 2022 is projected to be £255,662, this would amount to £63,916. An element of this expenditure is committed (restricted funds) and an element is discretionary (unrestricted funds).

The Trust's restricted and unrestricted reserves held at the year end amount to £145,777 which covers the charity's reserve policy. Unrestricted reserves are minimal and strategically managed to protect the charity's financial sustainability. The majority of the Trust's activities in the year to 31 December 2021 were funded by restricted grants and given that it is likely that the charity's costs will continue to be funded by restricted income in the immediate term, the Trustees consider that sufficient funds will be available to cover management and administration support costs for the foreseeable future.

Principal risks and uncertainties
The Trustees have assessed the major risks to which the charitable company is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks. Additionally the Trust maintains a risk register which supports the monitoring and discussion of these risks, which was updated in April 2020 to include the potential risk from Covid-19 on both the method of programme delivery and any threat to the funding sources and strategy.

All Trustees are also allocated specific areas of responsibility for governance through the Trust's policies, which also inform the working practices and ensure the company complies with relevant legislation.

Structure, governance and management
The charitable company is a company limited by guarantee without share capital governed by its memorandum and articles of association.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:
Marcus Bell
Dr Dermot Coleman
Janice Darkes-Sutcliffe
Simon Fuller
Elizabeth Hartley
Joanna Healey
Professor Edward Melhuish OBE
Michael Towner (Resigned 2 February 2021)

None of the Trustees have any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Membership of the Charity is open to any individual over the age of 18 years whom the Board decide to admit to membership. The Trust's Articles of Association state that all Trustees automatically become members. The business of the Trust is managed by the Board, which may consist of no fewer than three and no more than twelve elected members. An additional three members can be co-opted to the Board.

The Board delegates certain operational decisions to the Executive, consisting of at least four Trustees and the Trust Director. This sub-committee meets at least six times a year (virtually and face-to-face) and reports decisions to the following Board.

The Trust employs a Trust Director as well as a Local Director of the Birkenhead Project.

Auditor
In accordance with the company's articles, a resolution proposing that DSG be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees' Report was approved by the Board of Trustees.

E. C. Melhuish

Professor Edward Melhuish OBE
Trustee
Dated: 5 July 2022

THE FOUNDATION YEARS TRUST
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees, who are also the directors of the Trust for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;

- observe the methods and principles in the Charities SORP;

- make judgements and estimates that are reasonable and prudent;

- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and

- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

THE FOUNDATION YEARS TRUST
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE FOUNDATION YEARS TRUST

Opinion

We have audited the financial statements of The Foundation Years Trust (the 'charitable company') for the year ended 31 December 2021 which comprise the statement of financial activities, the balance sheet and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

In the light of the knowledge and understanding of the 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 returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

Responsibilities of Trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

Discussions with and enquiries of management and those charged with governance were held with a view to identifying those laws and regulations that could be expected to have a material impact on the financial statements. During the engagement team briefing, the outcomes of these discussions and enquiries were shared with the team, as well as consideration as to where and how fraud may occur in the entity.

The following laws and regulations were identified as being of significance to the entity:

- Those laws and regulations considered to have a direct effect on the financial statements include UK financial reporting standards, Company Law, Tax and Pensions legislation, and Charity Law.
- Those laws and regulations for which non-compliance may be fundamental to the operating aspects of the charity and therefore may have a material effect on the financial statements include compliance with charitable objectives, public benefit, fundraising regulations, safeguarding and health and safety legislation.

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: inquiries of management and the Trustees as to whether the entity complies with such laws and regulations; enquiries with the same concerning any actual or potential litigation or claims; inspection of relevant legal correspondence; review of Trustee meeting minutes; testing the appropriateness of journal entries; and the performance of analytical review to identify unexpected movements in account balances which may be indicative of fraud.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Jean Ellis BA FCA CTA (Senior Statutory Auditor)
for and on behalf of DSG

5 July 2022

Chartered Accountants
Statutory Auditor

Castle Chambers
43 Castle Street
Liverpool
L2 9TL

THE FOUNDATION YEARS TRUST
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Income from:							
Donations and legacies	3	3,594	-	3,594	11,854	-	11,854
Charitable activities - income	4	-	293,687	293,687	-	192,718	192,718
Investments	5	52	-	52	119	-	119
Total income		3,646	293,687	297,333	11,973	192,718	204,691
Expenditure on:							
Charitable activities - expenditure	6	2,345	253,463	255,808	23,924	226,531	250,455
Net incoming/(outgoing) resources before transfers		1,301	40,224	41,525	(11,951)	(33,813)	(45,764)
Gross transfers between funds		6,495	(6,495)	-	-	-	-
Net income/(expenditure) for the year/ Net movement in funds		7,796	33,729	41,525	(11,951)	(33,813)	(45,764)
Fund balances at 1 January 2021		63,438	40,814	104,252	75,389	74,627	150,016
Fund balances at 31 December 2021		71,234	74,543	145,777	63,438	40,814	104,252

THE FOUNDATION YEARS TRUST
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET
AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	**10**		-		-
Current assets					
Cash at bank and in hand		151,879		111,653	
Creditors: amounts falling due within one year	**11**	(6,102)		(7,401)	
Net current assets			145,777		104,252
Income funds					
Restricted funds	**12**		74,543		40,814
Unrestricted funds			71,234		63,438
			145,777		104,252

The financial statements were approved by the Trustees on 5 July 2022

E. C. Melhuish

Professor Edward Melhuish OBE
Trustee

Company registration number 08194371

1 Accounting policies

Charity information

The Foundation Years Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is Seacombe Children's Centre, St Pauls Road, Wallasey, Wirral, CH44 7AN. The principal activities of the charity are disclosed in the Trustees' Report.

1.1 Accounting convention

The accounts have been prepared in accordance with the charitable company's governing document, the Companies Act 2006 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 UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charitable company is a Public Benefit Entity as defined by FRS 102.

The charitable company has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in these notes to the financial statements.

1.4 Incoming resources

Income is recognised when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charitable company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charitable company has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1 **Accounting policies** **(Continued)**

1.5 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit 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.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services.

Governance costs include costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fee costs linked to the strategic management of the charity.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	33% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

Gifted assets are capitalised if valued over £250 at the point of receipt.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

1 Accounting policies **(Continued)**

Impairment of financial assets

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charitable company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

1.8 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.9 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

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

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

3 Donations and legacies

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Donations and gifts	1,684	4,800
Coronavirus Job Retention Scheme	1,910	7,054
	3,594	11,854

4 Charitable activities - income

	Restricted funds 2021 £	Restricted funds 2020 £
Performance related grants	293,687	192,718
Performance related grants		
Tudor Trust	32,000	30,000
SHINE	-	13,640
Steel Charitable Trust	15,000	-
John Armitage Charitable Trust	70,000	35,000
Right to Succeed	5,217	-
Leathersellers	10,000	10,000
PH Holt	18,000	-
Eleanor Rathbone Charitable Trust	5,000	-
Paul Hamlyn	-	20,000
Department for Education via National Literacy Trust	42,659	47,831
Department for Health and Social Care	78,000	-
John Moore Foundation	5,000	-
National Lottery Community Fund	-	7,863
Onward Foundation	-	4,774
Elizabeth Rathbone	-	1,435
Liverpool Cares	-	1,875
Steve Morgan Foundation	-	7,490
Children's Centre Advisory Board	-	4,410
Kelly Family Trust	-	4,000
Comic Relief	2,000	2,000
Wirral Council FSM Fund	1,800	2,400
Big Local Funding	1,661	-
Liverpool Charity & Voluntary Services	2,500	-
Seacombe Advisory Board	3,350	-
Hemby Trust	1,500	-
	293,687	192,718

5 Investments

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Interest receivable	52	119

6 Charitable activities - expenditure

	2021	2020
	£	£
Staff costs	199,456	202,187
Rent	5,640	5,640
Sundry expenses	2,052	1,688
Employee expenses	963	1,125
IT, website and phones	5,652	5,987
Training	2,563	229
Publications and subscriptions	124	169
Programme delivery	35,952	30,413
Legal and professional fees	1,242	1,133
	253,644	248,571
Share of governance costs (see note 7)	2,164	1,884
	255,808	250,455
Analysis by fund		
Unrestricted funds	2,345	23,924
Restricted funds	253,463	226,531
	255,808	250,455

7 Support costs

	Support costs	Governance costs	2021	Support costs	Governance costs	2020
	£	£	£	£	£	£
Audit fees	-	1,818	1,818	-	1,810	1,810
Other	-	346	346	-	69	69
Trustees' expenses	-	-	-	-	5	5
	-	2,164	2,164	-	1,884	1,884
Analysed between						
Charitable activities	-	2,164	2,164	-	1,884	1,884

8 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the charitable company during the year.

Expenses totalling £nil (2020: £5) were incurred in respect of duties undertaken by the Trustees on the charity's behalf. These costs were principally travel expenses and were paid to nil (2020: 1) Trustees.

9 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Management and directors	2	2
Administration	2	2
Other	3	4
Total	7	8

Employment costs	2021 £	2020 £
Wages and salaries	175,165	177,652
Social security costs	15,723	15,806
Other pension costs	8,568	8,729
	199,456	202,187

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2021 Number	2020 Number
£60,000 - £70,000	-	1

10 Tangible fixed assets

	Fixtures, fittings & equipment £
Cost	
At 1 January 2021	3,543
At 31 December 2021	3,543
Depreciation and impairment	
At 1 January 2021	3,543
At 31 December 2021	3,543
Carrying amount	
At 31 December 2021	-
At 31 December 2020	-

11 Creditors: amounts falling due within one year

	2021	2020
	£	£
Other taxation and social security	4,002	4,256
Accruals and deferred income	2,100	3,145
	6,102	7,401

12 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

		Movement in funds			Movement in funds		
	Balance at 1 January 2020	Incoming resources	Resources expended	Balance at 1 January 2021	Incoming resources	Resources expended	Balance at 31 December 2021
	£	£	£	£	£	£	£
John Armitage Charitable Trust	10	35,000	(35,010)	-	70,000	(38,828)	31,172
Garfield Weston Foundation	49,839	-	(36,530)	13,309	-	(13,309)	-
Tudor Trust	32	30,000	(30,032)	-	32,000	(31,945)	55
Paul Hamlyn	-	20,000	(3,687)	16,313	-	(16,313)	-
SHINE	1,062	13,640	(14,702)	-	-	-	-
The Johnson Foundation	8,000	-	(8,000)	-	-	-	-
The Woodward Foundation	1,500	-	(1,500)	-	-	-	-
Leathersellers	-	10,000	(10,000)	-	10,000	(10,000)	-
PH Holt	10,000	-	(10,000)	-	18,000	(11,472)	6,528
Department for Education via National Literacy Trust	(816)	47,831	(48,345)	(1,330)	42,659	(48,732)	(7,403)
Eleanor Rathbone Charitable Trust	5,000	-	(5,000)	-	5,000	(1,500)	3,500
National Lottery Community Fund	-	7,863	-	7,863	-	(7,863)	-
Onward Foundation	-	4,774	(4,774)	-	-	-	-
Elizabeth Rathbone	-	1,435	(776)	659	-	(659)	-
Liverpool Cares	-	1,875	(1,875)	-	-	-	-
Steve Morgan Foundation	-	7,490	(7,490)	-	-	-	-
Children's Centre Advisory Board	-	4,410	(4,410)	-	-	-	-
Kelly Family Trust	-	4,000	-	4,000	-	(4,000)	-
Comic Relief	-	2,000	(2,000)	-	2,000	(2,000)	-

12 Restricted funds **(Continued)**

Wirral Council FSM Fund	-	2,400	(2,400)	-	1,800	(1,800)	-
Steel Charitable Trust	-	-	-	-	15,000	(6,916)	8,084
Right to Succeed	-	-	-	-	5,217	(5,217)	-
Department for Health and Social Care	-	-	-	-	78,000	(51,757)	26,243
John Moore Foundation	-	-	-	-	5,000	(1,881)	3,119
Big Local Funding	-	-	-	-	1,661	(1,661)	-
Liverpool Charity & Voluntary Services	-	-	-	-	2,500	(2,500)	-
Seacombe Advisory Board	-	-	-	-	3,350	(105)	3,245
Hemby Trust	-	-	-	-	1,500	(1,500)	-
	74,627	192,718	(226,531)	40,814	293,687	(253,463)	74,543

12 Restricted funds **(Continued)**

John Armitage Charitable Trust
The second tranche of 2019/21 continuation grant to fund the Trust Director and associated costs.

Garfield Weston Foundation
Continuation grant for 2019/21 to support core costs associated with the Birkenhead project and its management.

Tudor Trust
Final tranche of 2019/21 continuation grant to cover core costs associated with the Birkenhead project.

Paul Hamlyn
Continuation of Covid-19 emergency grant towards Volunteer Coordinator role.

SHINE
Final tranche of grant which was used to continue to fund the training of early years professionals to deliver the Peep Learning Together programme and associated costs.

The Johnson Foundation
To support Little Explorers groups and associated costs.

Leathersellers
The second tranche of 2019-22 grant to fund the parent campaign; supporting parents to engage and promote their children's development in the early years.

P H Holt
To fund parent partnership work through the pandemic.

12 Restricted funds **(Continued)**

Department for Education via National Literacy Trust
For the co-ordination and delivery of the DfE's Hungry Little Minds campaign in Wirral.

Eleanor Rathbone Charitable Trust
Funding for the Early Explorers groups and associated costs in 2020.

National Lottery Community Fund
To fund Adventures at home to support parents of children in the early years.

Onward Foundation
Grant to support the home learning environment with parents of early years children.

Elizabeth Rathbone
Grant to support the training of professionals in the home learning environment.

Liverpool Cares
Emergency funding to support parents on the home learning environment during the pandemic.

Steve Morgan Foundation
Emergency funding to produce home learning environment activity packs.

Children's Centre Advisory Board
Funding for home learning environment activity packs.

Kelly Family Trust
Funding for Community Engagement Coordinator.

Comic Relief
Grant for resources and associated costs to support the home learning environment through the pandemic.

Wirral Council FSM Fund
Funding to provide early years resources to distribute with free school meals during half term holidays.

12 Restricted funds **(Continued)**

Steel Charitable Trust
To support delivery of Early Explorers groups in the community and Little Explorers groups in nurseries.

Right to Succeed
To fund Peep Learning Together and Partnership with Parents training in Cradle to Career schools, in addition to individual school support.

Department for Health and Social Care
To support the First 1001 Days initiative in Wirral in Partnership with Koala North-West.

John Moore Foundation
Funding towards two Parent Partnership Workers.

Big Local Funding
Funding to run Early Readers group at St Paul's Primary School.

Liverpool Charity & Voluntary Services
Community Impact Fund grant to strengthen family support for early learning and development.

Seacombe Advisory Board
To fund three Early Readers courses

Hemby Trust
Delivery of our Early Explorers group.

13 Analysis of net assets between funds

	Unrestricted funds 2021	Restricted funds 2021	Total 2021	Unrestricted funds 2020	Restricted funds 2020	Total 2020
	£	£	£	£	£	£
Fund balances at 31 December 2021 are represented by:						
Current assets/(liabilities)	71,234	74,543	145,777	63,438	40,814	104,252
	71,234	74,543	145,777	63,438	40,814	104,252

14 Operating lease commitments

At the reporting end date the charitable company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021	2020
	£	£
Within one year	526	526
Between two and five years	-	395
	526	921

15 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows:

	2021	2020
	£	£
Aggregate compensation	100,976	105,627

THE FOUNDATION YEARS TRUST

England & Wales - Charity number 1149609

Accounts

Charity Registration No. 1149609

Company Registration No. 08194371 (England and Wales)

THE FOUNDATION YEARS TRUST

(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

THE FOUNDATION YEARS TRUST
(A COMPANY LIMITED BY GUARANTEE)
LEGAL AND ADMINISTRATIVE INFORMATION

Trustees as at date of approval	Marcus Bell Dr Dermot Coleman Janice Darkes-Sutcliffe Simon Fuller Elizabeth Hartley Joanna Healey Professor Edward Melhuish OBE
Charity number	1149609
Company number	08194371
Registered office	Seacombe Children's Centre St Pauls Road Wallasey Wirral CH44 7AN
Auditor	DSG Castle Chambers 43 Castle Street Liverpool L2 9TL

THE FOUNDATION YEARS TRUST
(A COMPANY LIMITED BY GUARANTEE)
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THE FOUNDATION YEARS TRUST
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees present their report and financial statements for the year ended 31 December 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charitable company's Memorandum and Articles of Association, the Companies Act 2006 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 UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The Foundation Years Trust (the Trust) was established to implement the findings of the report of the Independent Review of Poverty and Life Chances, "The Foundation Years: how to prevent poor children becoming poor adults", Field, 2010, HM Government. The aim of the Trust is to develop and promote the Review's strategy to address the inter-generational transfer of poverty. The Trust's objectives are to test a series of initiatives developed from this strategy, including pilots of transferable models of local service delivery which support the Trust's wider aim. In the longer term, the Trust's objective is to work to achieve the adoption of initiatives that support the strategy across the UK.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charitable company should undertake.

Activities in the year

In response to the global pandemic and the lockdown that began in March 2020, the Trust adapted a programme to be able to continue reaching families with support on the home learning environment. Prior to lockdown, the charity held an event for Wirral's Hungry Little Minds campaign, which the Trust are managing, in January 2020 and were able to use the campaign banner to ramp up social media and to distribute resources to families over the months of lockdown. While activity picked up again in September when Wirral was moved into 'Level 2' restrictions, including a brief return to the office, the charity again had to readapt when a full national lockdown started in January 2021. Although usual programming was paused for nine months of the year and staff were 'furloughed' in shifts over the main lockdown period, the Trust achieved a great deal during the year.

With physical groups put on hold the Trust delivered the following activities:

- Virtual groups.
- Recruited new volunteers.
- Distribution of 'Home Learning Activity Packs' and resources via community workers and nursery partners.
- Ramped up the reach on social media with online videos and tips and ideas.
- Trialled online newsletters.
- Continued to develop strategic partnerships.

Achievements and performance

Progress to date

- In January, the Trust held an event for Wirral's Hungry Little Minds campaign, with the specially decorated Arriva Northwest buses at the Tranmere Rovers Football ground, attended by the Minister for Children and Families, partners and the Council's Chief Executive.
- Thirteen nurseries delivered Little Explorers groups prior to the closure of schools in March and four Early Explorer groups were delivered, including two new groups in school settings.
- Between April and July, the online following increased exponentially as the charity introduced new ways of using social media during lock down.
- Virtual groups were held for four nursery partners and a virtual baby group.
- 6,450 home learning activity packs and resources delivered to 2,740 families between April and December 2020.

- The new community engagement coordinator (promoted from the existing team) started her role in September and made good progress despite restrictions on movement. A core group of five volunteers were supporting the work in their role as Digital Ambassadors by the year end and new relationships with grass roots community organisations were created.
- Partnerships at borough level were strengthened between local charities and the Council's early years services, with joint resource distribution to families, shared social media and by the end of the year, joint funding applications were being prepared and joint project planning, including a new free book scheme with Dolly Parton's Imagination Library.
- The Director was invited to join a Liverpool City Region working group on Child Poverty and Life Chances, which aims to address early years as one of its key priorities.

Plans for the future

- Restarting groups in community settings using new networks among the communities the charity is targeting and volunteers.
- Restarting nursery groups with existing and new partners as soon as schools and nurseries are able to open up to parents again.
- Working to create Wirral's First 1,001 Days programme as a collaboration between early years partners.
- Building on the campaign work with public events focusing on early language development and literacy.
- Developing the strategic partnerships across Wirral, the Liverpool City Region and nationally.

Financial review

Income for the year was £204,691 (2019: £206,505) and expenditure was £250,455 (2019: £250,182). This resulted in a deficit for the year of £45,764 (2019: a deficit of £43,677) which was met using brought forward reserves.

As at 31 December 2020 unrestricted reserves stood at £63,438 (2019: £75,389) and restricted reserves were £40,814 (2019: £74,627) making total reserves of £104,252 (2019: £150,016).

During 2020, five staff were each furloughed for a month, both to facilitate childcare and because activities had reduced due to lockdown. The total grant received from the Coronavirus Job Retention Scheme was £7054 (see note 2 Donations and legacies).

Reserves policy

It is the policy of the Trust to maintain both restricted and unrestricted funds at a level which equates to at least three months of expenditure to ensure that the Trust can continue to operate should difficulties in receiving income occur in the short term. It also ensures that the Trust is able to closedown at the end of its funding cycle, meeting all statutory staffing and operational costs. As expenditure in 2021 is projected to be £267,851, this would amount to £66,963. An element of this expenditure is committed (restricted funds) and an element is discretionary (unrestricted funds).

The Trust's restricted and unrestricted reserves held at the year end amount to £104,252 which covers the charity's reserve policy. Unrestricted reserves are minimal and strategically managed to protect the charity's financial sustainability. The majority of the Trust's activities in the year to 31 December 2020 were funded by restricted grants and given that it is likely that the charity's costs will continue to be funded by restricted income in the immediate term, the Trustees consider that sufficient funds will be available to cover management and administration support costs for the foreseeable future.

Principal risks and uncertainties
The Trustees have assessed the major risks to which the charitable company is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks. Additionally the Trust maintains a risk register which supports the monitoring and discussion of these risks, which was updated in April 2020 to include the potential risk from Covid-19 on both the method of programme delivery and any threat to the funding sources and strategy.

All Trustees are also allocated specific areas of responsibility for governance through the Trust's policies, which also inform the working practices and ensure the company complies with relevant legislation.

Structure, governance and management
The charitable company is a company limited by guarantee without share capital governed by its memorandum and articles of association.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Marcus Bell	
Dr Dermot Coleman	
Janice Darkes-Sutcliffe	
Simon Fuller	
Elizabeth Hartley	
Joanna Healey	
Professor Edward Melhuish OBE	
Lucy Powell MP	(Resigned 6 March 2020)
Susan Robb OBE	(Resigned 18 May 2020)
Michael Towner	(Resigned 2 February 2021)

None of the Trustees have any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Membership of the Charity is open to any individual over the age of 18 years whom the Board decide to admit to membership. The Trust's Articles of Association state that all Trustees automatically become members. The business of the Trust is managed by the Board, which may consist of no fewer than three and no more than twelve elected members. An additional three members can be co-opted to the Board.

The Board delegates certain operational decisions to the Executive, consisting of at least four Trustees and the Trust Director. This sub-committee meets at least six times a year (virtually and face-to-face) and reports decisions to the following Board.

The Trust employs a Trust Director as well as a Local Director of the Birkenhead Project.

Auditor
In accordance with the company's articles, a resolution proposing that DSG be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees' Report was approved by the Board of Trustees.

E. C. Melhuish

Professor Edward Melhuish OBE
Trustee
Dated: 20 July 2021

THE FOUNDATION YEARS TRUST
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees, who are also the directors of the Trust for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;

- observe the methods and principles in the Charities SORP;

- make judgements and estimates that are reasonable and prudent;

- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and

- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

THE FOUNDATION YEARS TRUST
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE FOUNDATION YEARS TRUST

Opinion

We have audited the financial statements of The Foundation Years Trust (the 'charitable company') for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within 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 returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

Responsibilities of Trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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.

Discussions with and enquiries of management and those charged with governance were held with a view to identifying those laws and regulations that could be expected to have a material impact on the financial statements. During the engagement team briefing, the outcomes of these discussions and enquiries were shared with the team, as well as consideration as to where and how fraud may occur in the entity.

The following laws and regulations were identified as being of significance to the entity:

- Those laws and regulations considered to have a direct effect on the financial statements include UK financial reporting standards, Company Law, Tax and Pensions legislation, and Charity Law.
- Those laws and regulations for which non-compliance may be fundamental to the operating aspects of the charity and therefore may have a material effect on the financial statements include compliance with charitable objectives, public benefit, fundraising regulations, safeguarding and health and safety legislation.

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: inquiries of management and the Trustees as to whether the entity complies with such laws and regulations; enquiries with the same concerning any actual or potential litigation or claims; inspection of relevant legal correspondence; review of Trustee meeting minutes; testing the appropriateness of journal entries; and the performance of analytical review to identify unexpected movements in account balances which may be indicative of fraud.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Jean Ellis BA FCA CTA (Senior Statutory Auditor)
for and on behalf of DSG

20 July 2021

Chartered Accountants
Statutory Auditor

Castle Chambers
43 Castle Street
Liverpool
L2 9TL

THE FOUNDATION YEARS TRUST
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
Income from:							
Donations and legacies	2	11,854	-	11,854	6,255	-	6,255
Charitable activities - income	3	-	192,718	192,718	-	200,000	200,000
Investments	4	119	-	119	250	-	250
Total income		11,973	192,718	204,691	6,505	200,000	206,505
Expenditure on:							
Charitable activities - expenditure	5	23,924	226,531	250,455	45,587	204,595	250,182
Net expenditure for the year/ Net movement in funds		(11,951)	(33,813)	(45,764)	(39,082)	(4,595)	(43,677)
Fund balances at 1 January 2020		75,389	74,627	150,016	114,471	79,222	193,693
Fund balances at 31 December 2020		63,438	40,814	104,252	75,389	74,627	150,016

THE FOUNDATION YEARS TRUST
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET
AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Current assets					
Cash at bank and in hand		111,653		157,284	
Creditors: amounts falling due within one year	10	(7,401)		(7,268)	
Net current assets			104,252		150,016
Income funds					
Restricted funds	11		40,814		74,627
Unrestricted funds			63,438		75,389
			104,252		150,016

The financial statements were approved by the Trustees on 20 July 2021

E. C. Melhuish

Professor Edward Melhuish OBE
Trustee

Company Registration No. 08194371

1 Accounting policies

Charity information

The Foundation Years Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is Seacombe Children's Centre, St Pauls Road, Wallasey, Wirral, CH44 7AN. The principal activities of the charity are disclosed in the Trustees' Report.

1.1 Accounting convention

The accounts have been prepared in accordance with the charitable company's governing document, the Companies Act 2006 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 UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charitable company is a Public Benefit Entity as defined by FRS 102.

The charitable company has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The trustees consider that it is appropriate to prepare the accounts on a going concern basis as the charity will be able to meet its liabilities as they fall due. In making this assessment the trustees have considered the impact of the Coronavirus which is prevalent at the time of approval of these accounts and are confident that they have adequate resources to continue to operate having taken account of current and future income streams and expenditure commitments.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in these notes to the financial statements.

1.4 Incoming resources

Income is recognised when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charitable company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charitable company has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1 Accounting policies **(Continued)**

1.5 Resources expended

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services.

Governance costs include costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fee costs linked to the strategic management of the charity.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	33% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

Gifted assets are capitalised if valued over £250 at the point of receipt.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

1 Accounting policies **(Continued)**

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charitable company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

1.8 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.9 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Donations and legacies

	Unrestricted funds 2020 £	Unrestricted funds 2019 £
Donations and gifts	4,800	6,255
Coronavirus Job Retention Scheme	7,054	-
	11,854	6,255

3 Charitable activities - income

	Restricted funds 2020 £	Restricted funds 2019 £
Performance related grants	192,718	200,000
Performance related grants		
Tudor Trust	30,000	35,000
SHINE	13,640	25,000
The Johnson Foundation	-	5,000
John Armitage Charitable Trust	35,000	35,000
Garfield Weston Foundation	-	75,000
Leathersellers	10,000	10,000
PH Holt	-	10,000
Eleanor Rathbone Charitable Trust	-	5,000
Paul Hamlyn	20,000	-
Department for Education via National Literacy Trust	47,831	-
National Lottery Community Fund	7,863	-
Onward Foundation	4,774	-
Elizabeth Rathbone	1,435	-
Liverpool Cares	1,875	-
Steve Morgan Foundation	7,490	-
Children's Centre Advisory Board	4,410	-
Kelly Family Trust	4,000	-
Comic Relief	2,000	-
Wirral Council FSM Fund	2,400	-
	192,718	200,000

4 Investments

	Unrestricted funds 2020 £	Unrestricted funds 2019 £
Interest receivable	119	250

5 Charitable activities - expenditure

	2020	2019
	£	£
Staff costs	202,187	214,364
Depreciation and impairment	-	263
Rent	5,640	5,475
Sundry expenses	1,688	3,206
Employee expenses	1,125	4,229
IT, website and phones	5,987	5,530
Training	229	1,816
Publications and subscriptions	169	28
Programme delivery	30,413	11,870
Legal and professional fees	1,133	1,008
	248,571	247,789
Share of governance costs (see note 6)	1,884	2,393
	250,455	250,182
Analysis by fund		
Unrestricted funds	23,924	45,587
Restricted funds	226,531	204,595
	250,455	250,182

6 Support costs

	Support costs	Governance costs	2020	Support costs	Governance costs	2019
	£	£	£	£	£	£
Audit fees	-	1,810	1,810	-	1,800	1,800
Other	-	69	69	-	81	81
Trustees' expenses	-	5	5	-	512	512
	-	1,884	1,884	-	2,393	2,393
Analysed between						
Charitable activities	-	1,884	1,884	-	2,393	2,393

7 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the charitable company during the year.

Expenses totalling £5 (2019: £512) were incurred in respect of duties undertaken by the Trustees on the charity's behalf. These costs were principally travel expenses and were paid to 1 (2019: 3) Trustee.

8 Employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
Management and directors	2	2
Administration	2	1
Other	4	5
Total	8	8

Employment costs	2020 £	2019 £
Wages and salaries	177,652	187,917
Social security costs	15,806	17,711
Other pension costs	8,729	8,736
	202,187	214,364

The number of employees whose annual remuneration was £60,000 or more were:

	2020 Number	2019 Number
£60,000 - £70,000	1	1

9 Tangible fixed assets

	Fixtures, fittings & equipment £
Cost	
At 1 January 2020	3,543
At 31 December 2020	3,543
Depreciation and impairment	
At 1 January 2020	3,543
At 31 December 2020	3,543
Carrying amount	
At 31 December 2020	-
At 31 December 2019	-

10 Creditors: amounts falling due within one year

	2020	2019
	£	£
Other taxation and social security	4,256	4,257
Accruals and deferred income	3,145	3,011
	7,401	7,268

11 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

		Movement in funds			Movement in funds		
	Balance at 1 January 2019	Incoming resources	Resources expended	Balance at 1 January 2020	Incoming resources	Resources expended	Balance at 31 December 2020
	£	£	£	£	£	£	£
Wirral Council	23,683	-	(23,683)	-	-	-	-
John Armitage Charitable Trust	-	35,000	(34,990)	10	35,000	(35,010)	-
Garfield Weston Foundation	-	75,000	(25,161)	49,839	-	(36,530)	13,309
Tudor Trust	-	35,000	(34,968)	32	30,000	(30,032)	-
Merseyside Community Trust	3,136	-	(3,136)	-	-	-	-
Paul Hamlyn	12,518	-	(12,518)	-	20,000	(3,687)	16,313
Dulverton	23,089	-	(23,089)	-	-	-	-
Medicash	2,890	-	(2,890)	-	-	-	-
SHINE	9,406	25,000	(33,344)	1,062	13,640	(14,702)	-
The Johnson Foundation	3,000	5,000	-	8,000	-	(8,000)	-
The Woodward Foundation	1,500	-	-	1,500	-	(1,500)	-
Leathersellers	-	10,000	(10,000)	-	10,000	(10,000)	-
PH Holt	-	10,000	-	10,000	-	(10,000)	-
Department for Education via National Literacy Trust	-	-	(816)	(816)	47,831	(48,345)	(1,330)
Eleanor Rathbone Charitable Trust	-	5,000	-	5,000	-	(5,000)	-
National Lottery Community Fund	-	-	-	-	7,863	-	7,863
Onward Foundation	-	-	-	-	4,774	(4,774)	-
Elizabeth Rathbone	-	-	-	-	1,435	(776)	659
Liverpool Cares	-	-	-	-	1,875	(1,875)	-

11 Restricted funds **(Continued)**

Steve Morgan Foundation	-	-	-	-	7,490	(7,490)	-
Children's Centre Advisory Board	-	-	-	-	4,410	(4,410)	-
Kelly Family Trust	-	-	-	-	4,000	-	4,000
Comic Relief	-	-	-	-	2,000	(2,000)	-
Wirral Council FSM Fund	-	-	-	-	2,400	(2,400)	-
	79,222	200,000	(204,595)	74,627	192,718	(226,531)	40,814

John Armitage Charitable Trust
The second tranche of 2019/21 continuation grant to fund the Trust Director and associated costs.

Garfield Weston Foundation
Continuation grant for 2019/21 to support core costs associated with the Birkenhead project and its management.

Tudor Trust
Second tranche of 2019/21 continuation grant to cover core costs associated with the Birkenhead project.

Paul Hamlyn
New Covid-19 emergency grant towards Volunteer Coordinator role.

SHINE
Final tranche of grant which was used to continue to fund the training of early years professionals to deliver the Peep Learning Together programme and associated costs.

The Johnson Foundation
To support Little Explorers groups and associated costs.

Leathersellers
The second tranche of 2019-22 grant to fund the parent campaign; supporting parents to engage and promote their children's development in the early years.

P H Holt
To fund parent partnership work through the pandemic.

11 Restricted funds **(Continued)**

Eleanor Rathbone Charitable Trust
Funding for the Early Explorers groups and associated costs in 2020.

Department for Education via National Literacy Trust
For the co-ordination and delivery of the DfE's Hungry Little Minds campaign in Wirral.

National Lottery Community Fund
To fund Adventures at home to support parents of children in the early years.

Onward Foundation
Grant to support the home learning environment with parents of early years children.

Elizabeth Rathbone
Grant to support the training of professionals in the home learning environment.

Liverpool Cares
Emergency funding to support parents on the home learning environment during the pandemic.

Steve Morgan Foundation
Emergency funding to produce home learning environment activity packs.

Children's Centre Advisory Board
Funding for home learning environment activity packs.

Kelly Family Trust
Funding for Community Engagement Coordinator.

Comic Relief
Grant for resources and associated costs to support the home learning environment through the pandemic.

Wirral Council FSM Fund
Funding to provide early years resources to distribute with free school meals during half term holidays.

12 Analysis of net assets between funds

	Unrestricted funds 2020	Restricted funds 2020	Total 2020	Unrestricted funds 2019	Restricted funds 2019	Total 2019
	£	£	£	£	£	£
Fund balances at 31 December 2020 are represented by:						
Current assets/ (liabilities)	63,438	40,814	104,252	75,389	74,627	150,016
	63,438	40,814	104,252	75,389	74,627	150,016

13 Operating lease commitments

At the reporting end date the charitable company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2020	2019
	£	£
Within one year	526	526
Between two and five years	395	921
	921	1,447

14 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows:

	2020	2019
	£	£
Aggregate compensation	105,627	106,612