

Charity registration number 529111

Company registration number 00926012 (England and Wales)

THE FROEBELIAN SCHOOL (HORSFORTH) LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

THE FROEBELIAN SCHOOL (HORSFORTH) LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

School Council	Mr S Bickerton	(Chair)
	Mr N Naru	(Vice Chair)
	Mr K Beaty	(Resigned 31 August 2023)
	Mr S Dalingwater	
	Mrs C Davidson	
	Mrs H Forshaw	
	Mrs R James	
	Mrs C Johnson	
	Mr M Jones	
	Mr R Taylor	
	Mr A Thandi	(Resigned 5 May 2023)
	Ms S Brett	(Appointed 16 January 2023)
	Mr T Cuthbertson	(Appointed 9 October 2023)
	Mrs J De-Viell	(Appointed 9 October 2023)
	Mr R Southwood	(Appointed 16 January 2023)
Head	Mrs C Dodds	(Resigned 30 April 2023)
	Ms A Coulson	(Appointed 1 September 2023)
Deputy Head	Mrs S Stratford	(Resigned 31 August 2023)
	Ms J Giles	(Appointed 01 September 2023)
	Ms L Soutar	(Appointed 1 September 2023)
Bursar	Mrs T Roth ACA	(Resigned 3 February 2023)
	Ms J Brophy	(Appointed 21 August 2023)
Charity number	529111	
Company number	00926012	
Registered office	Clarence Road Horsforth Leeds LS18 4LB	
Auditor	Hentons Northgate 118 North Street Leeds West Yorkshire LS2 7PN	
Bankers	Virgin Money UK Leeds City Branch 94-96 Briggate Leeds LS1 6NP	

THE FROEBELIAN SCHOOL (HORSFORTH) LIMITED

CONTENTS

	Page
Trustees report	1 - 6
Independent auditor's report	7 - 9
Statement of financial activities	10
Balance sheet	11
Statement of cash flows	12
Notes to the financial statements	13 - 27

THE FROEBELIAN SCHOOL (HORSFORTH) LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2023

The School Council present the report and financial statements for the year ended 31 August 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 School'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)" (as amended for accounting periods commencing from 1 January 2016).

Aims and Objectives

The Froebelian School and First Steps Nursery aims to provide education and care of the highest possible standard to boys and girls from 3 months to the age of 11.

The School has the following specific objectives:

- To provide a caring, supportive and structured learning environment;
- To deliver quality education which develops the whole child; enabling them to maximise their potential;
- To offer a wide range of opportunities for learning including a diverse range of extra-curricular activities;
- To foster good relationships throughout our Froebelian family and beyond;
- To ensure a smooth transition for children towards the next phase of their learning journey.

In addition, the School also fosters links with the local community and raises funds for local, national and international charities.

The School Council's main role is ensuring delivery of these objectives and also to maintain pupil numbers, to invest in facilities, to identify possible opportunities to extend our provision and to continue to provide financial support to pupils in need of fee assistance whenever possible and compatible with the responsibility to run the school prudently.

In setting its objectives and planning its activities, Council has given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education and on fee charging.

Ethos, strategy and policies

Our school motto, 'Giving a flying start to the citizens of tomorrow', emphasises our dedication to providing the knowledge, skills, experiences and opportunities that prepare children for the future. Small class sizes and an excellent staff to pupil ratio allow The Froebelian School to treat each child as an individual. The partnership with parents is close and supportive and every child's progress is carefully monitored and reported to parents regularly.

In addition to providing an outstanding academic education in the crucial early years, The Froebelian School encourages the development of expressive talents and a love for and appreciation of music and the performing arts with plenty of opportunities for public performance. The sporting and extra-curricular programme has recently undergone significant development and provides exceptional facilities, specialist coaches and the opportunity to participate in regular competitive fixtures.

The Froebelian School seeks to benefit the public through the pursuit of its stated aims. School fees are set at a level to ensure the financial viability of the School whilst remaining consistent with our aim of providing education and care of the highest possible standard at affordable fee levels.

THE FROEBELIAN SCHOOL (HORSFORTH) LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

The Froebelian School provides significant public benefit in a variety of ways, including:

- Facilitating saving on public expenditure;
- Providing significant benefit to the local economy as an employer and as a consumer of goods and services (wherever possible, the School uses local suppliers to benefit the local economy); and
- Engaging in fundraising activities for selected charities.

Our School welcomes pupils from all backgrounds. An individual's economic status, gender, ethnicity, race, religion or disability do not form part of our assessment procedures. We are an equal opportunity organisation and are committed to a working environment that is free from any form of discrimination on the grounds of colour, race, ethnicity, religion, sex, sexual orientation or disability. We will make reasonable adjustments to meet the needs of staff or pupils who are or become disabled.

The School Council (whose members are both trustees and directors) meets regularly and is responsible for setting strategic priorities and objectives and overseeing delivery of these. In addition, Council reviews operational performance and has constituted a number of sub-committees (e.g. Finance, Marketing, Health & Safety, Bursary & Hardship, Education) and working groups (as required) to provide support, guidance and oversight in certain key aspects of operations.

Our School is committed to safeguarding and promoting the welfare of our pupils and expects all staff and volunteers to share this commitment. In the latest Independent Schools Inspectorate report, the pastoral care at the school was described as "Excellent", the highest possible grade. The School regularly reviews its policies on child protection, safeguarding and health and safety. All staff regularly undertake safeguarding and child protection training.

Access Policy

We are confident that our fees are reasonable and represent excellent value for money. It is a long standing policy that fee levels are set to ensure that they are affordable to as wide a cross section of the local population as possible. However, it is important to us that access to the education we offer is not restricted only to those who can afford our fees.

Bursaries & Hardship Assistance

The Council places great importance on the School's Bursary Policy. We established a Bursary Fund in the year 2000 and generally have added to it every year. The School Council has agreed that a prudent proportion of fee income should also be used to fund bursaries or hardship cases. The School embraces the principle that fee income will, whenever possible, contribute support to bursaries and hardship.

Our bursary awards are available to all who meet our general entry requirements and are made solely on the basis of parental means or to relieve hardship where a pupil's education and future prospects would otherwise be at risk, for example in the case of redundancy. Bursaries are reviewed annually, and hardship assistance is reviewed termly. The level of support will vary according to family income, but those with low incomes may qualify for up to 100% remission of the normal fees.

In this academic year 2022/23, we awarded bursaries of up to 100% to 12 pupils. The total awarded amounted to £45,270. Details of our Bursary Policy and how to apply are on our website.

We have provided hardship support to 2 children whose families have suffered financial challenges. We provided hardship support to the value of £1,892 during the 2022/23 academic year.

THE FROEBELIAN SCHOOL (HORSFORTH) LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Review of Activities and Achievements

The School's principal activity continues to be the provision of a co-educational day school and nursery for children up to 11 years. In addition, the School has provided care both before and after school and holiday clubs throughout the school holidays. When necessary, services are registered with Ofsted.

First Steps Nursery underwent its second Ofsted inspection in June 2022 and retained the "Outstanding" rating that was first awarded in 2016 shortly after the Nursery opened. The nursery is open 51 weeks of the year.

A detailed review of the School's achievements is provided each year by the Head at Speech Day and many of them are reported in the Froebelian Digest, published termly and circulated to all current parents, prospective parents, many former pupils and other interested parties.

The School was inspected by the Independent Schools Inspectorate in January 2022 (a Regulatory Compliance Inspection). The School met all regulatory requirements. In the most recent Education Quality Inspection (Summer Term 2017) by the Independent Schools Inspectorate, the School was rated as 'Excellent', the highest possible grade, across both inspection outcomes (pupils' academic achievement and pupils' personal development). The full reports can be viewed on the School's website.

All leavers were able to progress to the school of their choice, many of them receiving multiple offers of places and scholarships.

During 2022/23 the School successfully recruited a new leadership team and staffing structure. This comprises of a new Headteacher, a Deputy Head with responsibility for academics, a Deputy Head with responsibility for pastoral care and a Bursar. This change in leadership structure ensured that the school was well placed to meet its ambitious school improvement objectives.

School Council would like to take this opportunity to thank all our staff at both the school and nursery for their hard work, dedication and support in the strategic growth of the school. Council would also like to thank all parents for their patience, understanding and support through the period of change.

The School is actively supported by the FPTA, a separate registered charity, and the School Council would like to thank FPTA for their continued and valuable support. Further information about FPTA can be accessed via the School website www.froebelian.com. The School also receives assistance from a number of other parents and supporters with activities such as reading, school projects and trips. Again, we are very grateful for this help.

Financial review

Pupil fees

The termly fees before the deduction of any means assisted bursaries and hardship assistance were:

- Lower Kindergarten: £1,950
- All other forms: £2,900

First Steps Nursery at Froebelian currently has a substantial waiting list and is registering children through to October 2025. Fees during the 2022/23 financial year were as follows:

- Baby room: £65 per day
- Toddler and Pre School rooms: £63 per day

Financial results for the year

The School Council reports an overall deficit of £190,951 after payment of Bursary and Hardship grants totalling £47,162.

The Froebelian School remains financially strong due to substantial balance sheet reserves and a year-end cash balance of £331,497 (stated after payment of the final proportion of refurbishment costs).

Reserves

Council regularly reviews the adequacy of reserves to ensure that the long term future of the School is secure. The School believes it is prudent to maintain a high level of reserves. As at 31 August 2023 our total reserves stood at £2.4m, of which £2.3m were unrestricted.

THE FROEBELIAN SCHOOL (HORSFORTH) LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Investment policy

The investment powers of the School are governed by the Memorandum and Articles of Association which permit monies to be invested as considered appropriate and after taking the necessary professional advice. Investment income is raised primarily from placing monies on deposit with banks and building societies.

Memorandum and Articles of Association prohibits the payment of any dividends to the members.

The School Council has assessed the major risks to which the School is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Future Plans

Council intends to continue its current strategy of maintaining the School's position in a competitive market by investing to provide high quality education for all pupils.

In addition, Council regularly reviews its strategy in order to continue to place Froebelian at the forefront of excellent education provision and care.

Structure, governance and management

The school was founded in 1913 and was incorporated as a company limited by guarantee (no.00926012) in 1969. The School is a registered charity (no.529111).

Governing document

The company is governed by its Memorandum and Articles of Association dated 28 February 1969.

Governing body

School Council members serve as directors of the company and are the charity trustees. Members are elected at a meeting of the School Council on the basis of nominations received concerning eligibility, personal competence, specialist skills and local availability. Council ensures that there is an appropriate balance of diversity and that a relevant blend of specialist skills is represented in the membership. The members who served during the year are listed on the Legal and Administrative pages of this report.

All Trustees give up their time freely and no remuneration or expenses for their services were paid in the year. In 2022/23 no governor or person connected with a governor received any benefit from means tested bursaries or hardship assistance awarded to our pupils.

Trustee/ governor induction and training

The Head and the Chair of the School Council brief new members of the Council about the workings of the School. This induction includes an introduction to the aims of the School, Charity Commission information on Trustee responsibilities and copies of previous Council Minutes and of trustee annual reports and accounts. Through membership of the Incorporated Association of Preparatory Schools (IAPS), the Association of Governing Bodies of Independent Schools (AGBIS), the Independent Schools Bursars' Association (ISBA) and of the Independent Schools Council (ISC), appropriate training is provided for all senior staff and members of the Council (governors).

Organisation management

The School Council meets at least once each term and therefore at least three times each year to determine the general policy of the School (company with charitable status) and to review its management, performance and control, for which they are legally responsible. In addition, the School Council Holds an Annual General Meeting (AGM) to receive and approve the audited accounts. The day to day management of the School is delegated to the Head (who is chief executive), assisted by the Senior Leadership Team and the Bursar.

THE FROEBELIAN SCHOOL (HORSFORTH) LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Risk management

The School Council keeps the School's activities under review, particularly with regard to any major risks that may arise, as well as the systems and procedures established to manage them. Each year at the AGM the Council reviews risk management to monitor the effectiveness of internal controls and other measures, including insurance cover, which might mitigate risks already identified. The School also retains the services of specialist health and safety consultants and human resources consultants.

Trustees

The Council (Trustees), who also constitute the directors of the company for the purposes of the Companies Act, and who served during the year are listed on the legal and administrative pages.

No preference dividends were paid. The directors do not recommend payment of a final dividend.

Statement of Trustees responsibilities

Company law requires the members of the Council to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period.

In preparing those financial statements, the members of the Council are required to

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

The members of the Council must, in determining how amounts are presented within items in the statement of financial activities and balance sheet, have regard to the substance of the reported transaction or arrangement, in accordance with generally accepted accounting principles and practice.

The members of the Council have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditor

The auditors, Henton & Co LLP, were appointed in the year.

This report has been prepared in accordance with the provisions applicable to companies subject to the Small Companies Regime.

The appointment of Henton & Co LLP as auditor was first approved by the Council at its meeting on 28 January 2011.

THE FROEBELIAN SCHOOL (HORSFORTH) LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Disclosure of information to auditor

Each of the School Council 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 School Council.

Mr S Bickerton

Chair of Council

Dated: 11 March 2024

THE FROEBELIAN SCHOOL (HORSFORTH) LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE FROEBELIAN SCHOOL (HORSFORTH) LIMITED

Opinion

We have audited the financial statements of The Froebelian School (Horsforth) Limited (the 'School') for the year ended 31 August 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with 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 School 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 School'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 School Council 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 School Council 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 for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the Trustees report has been prepared in accordance with applicable legal requirements.

THE FROEBELIAN SCHOOL (HORSFORTH) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF THE FROEBELIAN SCHOOL (HORSFORTH) LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the School 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 School Council 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 School Council

As explained more fully in the statement of Trustees responsibilities, the School Council, who are also the directors of the School 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 School Council 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 School Council are responsible for assessing the School'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 School Council 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.

- Reviewed the nature of the industry and sector, the control environment and business performance for the year.
- Identifying the laws and regulations the company operates within and enquiring with management if they are aware of any non compliance issues.
- Discussed how and where fraud may occur with all members of the audit engagement team.
- In line with all audits under ISAs (UK) we were required to perform tests to respond to the risk of management override. We tested the appropriateness of journal entries, evaluated the judgements made for accounting estimates to assess if any bias, and assessed the rationale behind any significant or unusual transactions.

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.

THE FROEBELIAN SCHOOL (HORSFORTH) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF THE FROEBELIAN SCHOOL (HORSFORTH) LIMITED

Use of our report

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

Chris Howitt (Senior Statutory Auditor)
for and on behalf of Hentons

11 March 2024

Chartered Accountants
Statutory Auditor

Northgate
118 North Street
Leeds
West Yorkshire
LS2 7PN

THE FROEBELIAN SCHOOL (HORSFORTH) LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

		Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes						
Income from:							
Donations and legacies	3	-	-	-	-	25,985	25,985
Charitable activities	4	2,296,958	-	2,296,958	2,375,339	-	2,375,339
Other trading activities	6	12,031	-	12,031	30,029	-	30,029
Investments	5	7,008	-	7,008	2,344	-	2,344
Total income		<u>2,315,997</u>	<u>-</u>	<u>2,315,997</u>	<u>2,407,712</u>	<u>25,985</u>	<u>2,433,697</u>
Expenditure on:							
Charitable activities	7	2,459,786	47,162	2,506,948	2,176,935	57,320	2,234,255
Total expenditure		<u>2,459,786</u>	<u>47,162</u>	<u>2,506,948</u>	<u>2,176,935</u>	<u>57,320</u>	<u>2,234,255</u>
Net income/(expenditure)		<u>(143,789)</u>	<u>(47,162)</u>	<u>(190,951)</u>	<u>230,777</u>	<u>(31,335)</u>	<u>199,442</u>
Transfers between funds							
		<u>(36,295)</u>	<u>36,295</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net movement in funds	8	<u>(180,084)</u>	<u>(10,867)</u>	<u>(190,951)</u>	<u>230,777</u>	<u>(31,335)</u>	<u>199,442</u>
Reconciliation of funds:							
Fund balances at 1 September 2022		<u>2,527,994</u>	<u>80,672</u>	<u>2,608,666</u>	<u>2,297,217</u>	<u>112,007</u>	<u>2,409,224</u>
Fund balances at 31 August 2023		<u>2,347,910</u>	<u>69,805</u>	<u>2,417,715</u>	<u>2,527,994</u>	<u>80,672</u>	<u>2,608,666</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 13 to 27 form part of these financial statements.

THE FROEBELIAN SCHOOL (HORSFORTH) LIMITED

BALANCE SHEET

AS AT 31 AUGUST 2023

		2023	2022
	Notes	£	£
Fixed assets			
Tangible assets	13	2,260,737	2,269,154
Current assets			
Debtors	14	118,102	63,646
Cash at bank and in hand		331,497	557,359
		449,599	621,005
Creditors: amounts falling due within one year	15	(292,621)	(281,493)
Net current assets		156,978	339,512
Total assets less current liabilities		2,417,715	2,608,666
Net assets excluding pension liability		2,417,715	2,608,666
The funds of the School			
Restricted income funds	17	69,805	80,672
Unrestricted funds		2,347,910	2,527,994
		2,417,715	2,608,666

The notes on pages 13 to 27 form part of these financial statements.

The financial statements were approved by the School Council on 11 March 2024

Mr S Bickerton
Chair of Council

Company registration number 00926012 (England and Wales)

THE FROEBELIAN SCHOOL (HORSFORTH) LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	23		(158,761)		89,050
Investing activities					
Purchase of tangible fixed assets		(74,109)		(217,904)	
Proceeds from disposal of tangible fixed assets		-		8,789	
Investment income received		7,008		2,344	
Net cash used in investing activities			(67,101)		(206,771)
Net cash used in financing activities			-		-
Net decrease in cash and cash equivalents			(225,862)		(117,721)
Cash and cash equivalents at beginning of year			557,359		675,080
Cash and cash equivalents at end of year			331,497		557,359

The notes on pages 13 to 27 form part of these financial statements.

THE FROEBELIAN SCHOOL (HORSFORTH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

Charity information

The Froebelian School (Horsforth) Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Clarence Road, Horsforth, Leeds, LS18 4LB.

1.1 Accounting convention

The financial statements have been prepared in accordance with the School'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)" (as amended for accounting periods commencing from 1 January 2016). The School is a Public Benefit Entity as defined by FRS 102.

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

The financial statements 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 School Council have a reasonable expectation that the School has adequate resources to continue in operational existence for the foreseeable future. Thus the School Council 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 School Council in furtherance of their charitable objectives.

Restricted funds are those donated for use in a particular area or are for specific purposes, the use of which is restricted to that area or purpose.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the School.

1.4 Incoming resources

Income is recognised when the School 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 School 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. Donations receivable for the general purposes of the Charity are credited to Unrestricted Funds. Donations for purposes restricted by the wishes of the donor are taken to Restricted Funds where these wishes are legally binding on the Council, except that any amounts required to be retained as capital in accordance with the donor's wishes are accounted for instead as Endowments - permanent or expendable according to the nature of the restriction.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for fees for the school year ending 31 August 2023.

THE FROEBELIAN SCHOOL (HORSFORTH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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.

Direct expenditure is summarised under functional headings on a direct cost basis. For overhead costs, it is apportioned according to management estimates. The irrecoverable element of VAT is included with the item of expense to which it relates.

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 has been provided on tangible assets to write off the cost over their useful lives adopting the following rates and bases:

Land and buildings	1% straight line
Fixtures, fittings & equipment	20% reducing balance
IT equipment	33.33% 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.

1.7 Impairment of fixed assets

At each reporting end date, the School reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 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.

1.9 Financial instruments

The School has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the School's balance sheet when the School becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

THE FROEBELIAN SCHOOL (HORSFORTH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are measured at transaction price. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

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 School's contractual obligations expire or are discharged or cancelled.

1.10 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 School is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 True and Fair View

By the nature of its principal activities, the Company is a non-profit making organisation and because of this, a Profit and Loss Account is not included in these accounts, being replaced by a Statement of Financial Activities.

1.12 Donations

Donations receivable for the general purposes of the Charity are credited to Unrestricted Funds. Donations for purposes restricted by the wishes of the donor are taken to Restricted Funds where these wishes are legally binding on the Council, except that any amounts required to be retained as capital in accordance with the donor's wishes are accounted for instead as Endowments - permanent or expendable according to the nature of the restriction.

1.13 Share capital

The company has no share capital. The liability of the members is Limited by Guarantee, each member having undertaken to contribute such amount not exceeding one pound as may be required in the event of the company being wound up whilst he or she is a member, or within one year thereafter.

2 Critical accounting estimates and judgements

In the application of the School's accounting policies, the School Council 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.

THE FROEBELIAN SCHOOL (HORSFORTH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

3 Income from donations and legacies

	Restricted funds 2023 £	Restricted funds 2022 £
Donations and gifts	-	25,985
	<u> </u>	<u> </u>

4 Income from charitable activities

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Fees receivable	2,296,958	2,375,339
	<u> </u>	<u> </u>

5 Income from investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Interest receivable	7,008	2,344
	<u> </u>	<u> </u>

6 Other income

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Other income	1,266	20,135
Net gain on disposal of tangible fixed assets	-	1,314
Rental income	10,765	8,580
	<u> </u>	<u> </u>
	12,031	30,029
	<u> </u>	<u> </u>

THE FROEBELIAN SCHOOL (HORSFORTH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

7 Charitable activities

	Staff costs	Depreciation	Other costs	Total 2023	Total 2022
	2023	2023	2023		
	£	£	£	£	£
Teaching costs	1,513,414	57,091	231,531	1,802,036	1,571,876
Welfare costs	68,068	-	95,969	164,037	136,916
Premises	57,034	24,369	146,169	227,572	238,656
Management & administration	166,639	-	94,102	260,741	224,687
Charitable donations	-	-	47,162	47,162	57,320
	<u>1,805,155</u>	<u>81,460</u>	<u>614,933</u>	<u>2,501,548</u>	<u>2,229,455</u>
Fees payable to auditor - audit	-	-	5,400	5,400	4,800
	<u>1,805,155</u>	<u>81,460</u>	<u>620,333</u>	<u>2,506,948</u>	<u>2,234,255</u>
Analysis by fund					
Unrestricted funds	1,805,155	81,460	573,171	2,459,786	2,176,935
Restricted funds	-	-	47,162	47,162	57,320
	<u>1,805,155</u>	<u>81,460</u>	<u>620,333</u>	<u>2,506,948</u>	<u>2,234,255</u>
Prior year					
Unrestricted funds	1,624,140	70,052	482,743		2,176,935
Restricted funds	-	-	57,320		57,320
	<u>1,624,140</u>	<u>70,052</u>	<u>540,063</u>		<u>2,234,255</u>
	2023	2022			
	£	£			
Teaching costs include:					
School activities and projects	44,305	24,569			
School books & equipment	19,814	21,120			
Welfare costs include:					
Food and kitchen expenses	95,969	82,687			
Premises costs include:					
Repairs and renewals	28,053	37,958			
Cleaning	6,140	7,381			
Governance costs include:					
Auditors remuneration	5,400	4,800			

THE FROEBELIAN SCHOOL (HORSFORTH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

8	Net movement in funds	2023	2022
		£	£
	The net movement in funds is stated after charging/(crediting):		
	Depreciation of owned tangible fixed assets	82,526	70,053
		<u>82,526</u>	<u>70,053</u>
	<i>Depreciation of tangibles: Total SOFA charge differs from BS notes by:</i>	82,526	70,053

THE FROEBELIAN SCHOOL (HORSFORTH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

9 School Council

None of the School Council (or any persons connected with them) received any remuneration or benefits from the School during the year.

Members of the Council received no remuneration in respect of their role as director and trustee.

10 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

Fees payable to the School's auditor and associates:	2023	2022
	£	£
Audit of the School's annual accounts	5,400	4,200
	<u> </u>	<u> </u>
In respect of associated pension schemes		
Audit	600	600
	<u> </u>	<u> </u>

THE FROEBELIAN SCHOOL (HORSFORTH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

11 Employees

Number of employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Teachers	11	14
Teaching Assistants	15	13
Domestic	7	8
Administration	6	5
Nursery	27	21
	<u>66</u>	<u>61</u>

Employment costs	Key management personnel		Total	
	2023 £	2022 £	2023 £	2022 £
Wages and salaries	96,584	167,126	1,453,353	1,296,809
Social security costs	11,292	20,065	124,496	109,049
Other pension costs	9,866	31,055	129,773	130,960
	<u>117,742</u>	<u>218,246</u>	<u>1,707,622</u>	<u>1,536,818</u>

During the year the charitable company underwent significant staffing changes. This has resulted in a higher staffing cost for the year than normal. It has also resulted in 2 members of staff earning over £60,000, which has been caused by a member of staff stepping up while another member of staff was absent from work.

The number of employees whose annual remuneration was £60,000 or more were:

	2023 Number	2022 Number
Teaching	<u>2</u>	<u>1</u>

12 Taxation

The company is a Registered Charity providing educational needs and as such is exempt from taxation.

THE FROEBELIAN SCHOOL (HORSFORTH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

13 Tangible fixed assets

	Land and buildings	Fixtures, fittings & equipment	Total
	£	£	£
Cost			
At 1 September 2022	2,436,662	661,178	3,097,840
Additions	7,077	67,032	74,109
	<u>2,443,739</u>	<u>728,210</u>	<u>3,171,949</u>
At 31 August 2023			
Depreciation and impairment			
At 1 September 2022	351,709	476,977	828,686
Depreciation charged in the year	24,448	58,078	82,526
	<u>376,157</u>	<u>535,055</u>	<u>911,212</u>
At 31 August 2023			
Carrying amount			
At 31 August 2023	2,067,582	193,155	2,260,737
	<u>2,084,953</u>	<u>184,201</u>	<u>2,269,154</u>
At 31 August 2022			

14 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	49,417	25,286
Other debtors	9,992	3,225
Prepayments and accrued income	58,693	35,135
	<u>118,102</u>	<u>63,646</u>

15 Creditors: amounts falling due within one year

	Notes	2023	2022
		£	£
Other taxation and social security		27,424	26,478
Deferred income	16	109,210	87,927
Trade creditors		88,480	120,331
Other creditors		21,709	26,429
Accruals and deferred income		45,798	20,328
		<u>292,621</u>	<u>281,493</u>

THE FROEBELIAN SCHOOL (HORSFORTH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

16 Deferred income

	2023 £	2022 £
Other deferred income	109,210	87,927
	<u>109,210</u>	<u>87,927</u>
Deferred income is included in the financial statements as follows:		
	2023 £	2022 £
Deferred income is included within:		
Current liabilities	109,210	87,927
	<u>109,210</u>	<u>87,927</u>
Movements in the year:		
Deferred income at 1 September 2022	87,927	122,640
Resources deferred in the year	21,283	(34,713)
	<u>21,283</u>	<u>(34,713)</u>
Deferred income at 31 August 2023	109,210	87,927
	<u>109,210</u>	<u>87,927</u>

Deferred income relates to fees for the forthcoming school term.

17 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 September 2022 £	Incoming resources £	Resources expended £	Transfers £	At 31 August 2023 £
Fundraising account	(3,469)	-	-	-	(3,469)
Restricted donations	37,661	-	-	-	37,661
Bursary and hardship	46,480	-	(47,162)	36,295	35,613
	<u>80,672</u>	<u>-</u>	<u>(47,162)</u>	<u>36,295</u>	<u>69,805</u>
	<u>80,672</u>	<u>-</u>	<u>(47,162)</u>	<u>36,295</u>	<u>69,805</u>
Previous year:	At 1 September 2021 £	Incoming resources £	Resources expended £	Transfers £	At 31 August 2022 £
Fundraising account	(3,469)	-	-	-	(3,469)
Restricted donations	11,676	25,985	-	-	37,661
Bursary and hardship	103,800	-	(57,320)	-	46,480
	<u>112,007</u>	<u>25,985</u>	<u>(57,320)</u>	<u>-</u>	<u>80,672</u>
	<u>112,007</u>	<u>25,985</u>	<u>(57,320)</u>	<u>-</u>	<u>80,672</u>

THE FROEBELIAN SCHOOL (HORSFORTH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

17 Restricted funds

(Continued)

The fundraising account refers to fundraising carried out by the School specifically for the purpose of making donations to other charitable bodies.

Restricted donations - refers to specific donations by parents to provide prizes for the Verity Cup, an Environmental challenge and the recent donation from the FPTA for new playground equipment.

The School, in recognition of its charitable status, established a bursary fund to provide support for current and future pupils who experience difficulties in meeting their financial commitment to the School.

18 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 September 2022	Incoming resources	Resources expended	Transfers	At 31 August 2023
	£	£	£	£	£
General funds	2,527,994	2,315,997	(2,459,786)	(36,295)	2,347,910
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Previous year:	At 1 September 2021	Incoming resources	Resources expended	Transfers	At 31 August 2022
	£	£	£	£	£
General funds	2,297,217	2,407,712	(2,176,935)	-	2,527,994
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

19 Analysis of net assets between funds

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
At 31 August 2023:			
Tangible assets	2,260,737	-	2,260,737
Current assets/(liabilities)	87,173	69,805	156,978
	<u>2,347,910</u>	<u>69,805</u>	<u>2,417,715</u>

THE FROEBELIAN SCHOOL (HORSFORTH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

19 Analysis of net assets between funds

(Continued)

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
At 31 August 2022:			
Tangible assets	2,269,154	-	2,269,154
Current assets/(liabilities)	258,840	80,672	339,512
	<u>2,527,994</u>	<u>80,672</u>	<u>2,608,666</u>

20 Related party transactions

During the year Kenneth Beaty, who was a director of The Froebelian School (Horsforth Limited until his resignation on 31 August 2023, is a director of a company which ultimately owns Sagars Accountants, who provided accounting assistance to the school. The total expensed in the year was £7,938 (2022 £nil), there was £3,000 (2022 £nil) outstanding at the year end. The school also incurred costs of £6,479 (2022 £nil) to Anderson. Anderson & Brown, who are part of Sagars. The amount outstanding at the year end is £1,855 (2022 £nil).

There were no other disclosable related party transactions during the year (2022 - none).

THE FROEBELIAN SCHOOL (HORSFORTH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

21 Pension costs

The School makes pension contributions under the Teacher's Pension Scheme (TPS) and The Pensions Trust Growth Plan. The assets of both schemes are held separately from those of the company in independently administered funds. The amounts recognised in the Statement of Financial Activities as an expense for both schemes was £129,773 (2022: £145,075). Included in creditors at the year end was a balance of £15,637 (2022: £18,100) in respect of unpaid contributions.

THE PENSION TRUST GROWTH PLAN

The Charitable Company participates in the scheme, a multi-employer scheme which provides benefits to some 1,300 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is classified as a 'last man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2019 to 31 January 2025:	£11,243,000 per annum (payable monthly and increasing by 3% each on 1st April)
---------------------------------------	--

Unless a concession has been agreed with the Trustee the term to 31 January 2025 applies.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2014. This valuation showed assets of £793.4m, liabilities of £969.9m and a deficit of £176.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2016 to 30 September 2025:	£12,945,440 per annum (payable monthly and increasing by 3% each on 1st April)
From 1 April 2016 to 30 September 2028:	£54,560 per annum (payable monthly and increasing by 3% each on 1st April)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

THE FROEBELIAN SCHOOL (HORSFORTH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

21 Pension costs

(Continued)

TEACHERS' PENSION SCHEME (TPS)

Introduction

The Teachers' Pension Scheme (TPS) is a statutory contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations 2010, and the Teachers' Pension Scheme Regulations 2014. These regulations apply to teachers in schools and other educational establishments, including academics, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

The Teachers' Pension Budgeting and Valuation Account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act 1972 and Public Service Pensions Act 2013 and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis - these contributions, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Act.

The Teachers' Pension Regulations require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

Valuation of the Teachers' Pension Scheme

The latest actuarial review of the TPS was carried out as at 31 March 2016 and in accordance with The Public Service Pensions (Valuations and Employers Cost Cap) Directions 2014.

The valuation report was published by the Department on 5 March 2019. The key results of the valuation are:

- employer contribution rates were set at 23.68% of pensionable pay; in line with current regulations, not including the additional 0.08% employers pay for the cost of the Scheme administration;

- total scheme liabilities for service to the effective date of £218.1 billion, and notional assets of £196.1 billion, giving a notional past service deficit of £22 billion;

- an employer cost cap of 10.3% of pensionable pay.

The new employer contribution rate for the TPA was implemented in September 2019.

A full copy of the valuation report and the supporting documentation can be found on the Teachers' Pension Scheme website at the following location:

<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>

22 Analysis of changes in net funds

The School had no debt during the year.

THE FROEBELIAN SCHOOL (HORSFORTH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

23	Cash generated from operations	2023 £	2022 £
	(Deficit)/surplus for the year	(190,951)	199,442
	Adjustments for:		
	Investment income recognised in statement of financial activities	(7,008)	(2,344)
	Depreciation and impairment of tangible fixed assets	82,526	70,053
	Movements in working capital:		
	(Increase)/decrease in debtors	(54,456)	338
	(Decrease) in creditors	(10,155)	(143,726)
	Increase/(decrease) in deferred income	21,283	(34,713)
	Cash (absorbed by)/generated from operations	(158,761)	89,050

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.