

Charity registration number 1086306

Company registration number 03978344 (England and Wales)

**LEARNING FOUNDATION**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**



# LEARNING FOUNDATION

## LEGAL AND ADMINISTRATIVE INFORMATION

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Trustees	Mr D Burrows	
	Mr W McLean	
	Mr D Norrish	
	Ms I Brannen	
	Mr T Kane	
	Ms V Thompson	
	Mr S Bethel	(Appointed 15 June 2022)
	Ms B Clarke	(Appointed 15 June 2022)
Charity number	1086306	
Company number	03978344	
Registered office	Index House St Georges Lane Ascot Berkshire SL5 7ET	
Auditor	Kirk Rice LLP The Courtyard High Street Ascot Berkshire SL5 7HP	
Bankers	Lloyds TSB 49 High Street Godalming GU7 1AT	

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# LEARNING FOUNDATION

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# LEARNING FOUNDATION

## TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT)

### FOR THE YEAR ENDED 31 MARCH 2022

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The Trustees, who are also directors of the charity for the purposes of the Companies Act and the sole members currently, submit their report and the audited financial statements for the year ended 31 March 2022. In preparing their report and the financial statements of the charity the Trustees have complied with the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" 2005.

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 charity'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)" (effective 1 January 2019).

#### Objectives and activities

The Learning Foundation, through its research and associated programmes, has identified key determinants which lead to digital exclusion. The key issues relate to equipment and connectivity, access, capability, motivation and support, although there are also other issues such as home environment and socio-economic challenges.

These are the key concepts we are looking to address in our work, which is spread through from supporting schools to advocating for systemic change.

#### Current Mission and Charitable Objects

**Our mission is:** "We will inspire and support schools and families across the UK to take positive action so that every schoolchild in this country can benefit from good access to learning technologies when and where they need them."

**Charitable objects as stated in our constitution:** "The charitable advancement of education, in particular of those who have a social or economic disadvantage or who have disability, through the provision or assistance in the provision of information, learning and communications technology."

#### How Will We Do This?

Our work will focus on tackling the factors through four core strategic aims:

- **Empowerment:** Empowering individuals and organisations to make change. This can range from parents supporting donation schemes at local schools; through to corporates leading interventions at local and national level. This is about bottom-up change. Our work here will look at providing channels to facilitate society taking their own action to find solutions.
- **Advocacy:** Raising these issues in Whitehall and Westminster, with national media, and with other high level influential bodies, with the aim of seeing long term systemic change. This is about how equipment, connectivity, skills and motivation can be built across the nation from the top down.
- **Sustainability:** Ensuring that interventions we support are sustainable and inclusive – that is, they have ongoing impact above and beyond helping small groups of individuals. Activity we undertake will usually have a larger knock-on impact. These range from small to large – whether a parental donation scheme in a school that ensures a whole cohort benefit (whether their family can contribute or not), through to pilot projects that will create evidence to lobby for policy reforms.
- **Evidence-led:** Throughout our work, we ensure that there is research and evidence to back up what we do. We run pilot interventions and evaluate the success and impact of each, tracking the longer-term behaviour change. We bring research together making it accessible to all who seek a stronger understanding of digital poverty issues. We assess the impact of our own work and ensure that we understand the needs of our beneficiaries through listening.

# LEARNING FOUNDATION

## TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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### Strategy

This was the first year of working to the new 2-year strategy.

The Learning Foundation has a long history in tackling inequality caused by a lack of access to digital tools. We are now broadening this out from working just with schools. Our Schools Liaison Team and our Donation Management Service (DMS) will continue to provide support to schools looking to engage with digital on a 1:1 basis.

We will use the Digital Poverty Alliance as our key way of influencing support for digital preparedness for those who currently have neither the means, skills nor motivation; whilst continuing to grow the appeal and take-up of the DMS. Alongside this, we will continue to offer an opportunity for pilots of direct intervention, such as Tech4Teachers, Tech4Schools and Tech4PrisonLeavers.

### Structure

All activity sits under the remit of the Learning Foundation. As well as general operations, there are two separate main focuses for the team, to market and support the DMS, and to manage the Digital Poverty Alliance Team. The staff team mainly support both sides of the organisation's work.

The organisation has a flat structure with staff reporting to the Chief Executive or to the Chief Operating Officer. Employees are consulted on issues of concern and interest to them by means of regular team meetings. They are also kept informed on specific matters directly by management through e-mail and ad-hoc meetings. The charity carries out exit interviews for all staff leaving the organisation. The charity has implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equal opportunities policy
- Child protection policy
- Health and safety policy
- Disciplinary and grievance procedure policy

These are set out in detail in a Staff Handbook.

The Foundation is fortunate to have a number of people to call on as volunteers for short term support where needed. Currently we have a pool of people who provide occasional support – normally just a day or two although certain activities have needed longer support. We thank them for everything they do and bring to us.

### Achievements and performance

The significant donation of, in total, £1 million from Currys, during the year ended 31 March 2021, meant that we started the year with the confidence we needed to set up and launch the Digital Poverty Alliance (DPA). We struggled with staff resource issues in the early days but we were fortunate, during the year, to recruit into the team and this was led, in November, with Elizabeth Anderson (EA) joining as Learning Foundation and DPA COO and Elizabeth has brought a superb understanding and skills with governance, charity management and so much more. This was followed by the recruitment of a Head of Research – Dr Keelan Meade in January and Jen Gracie who joined us as Head of Policy & Comms.

We also added some further support with admin management from Fiona Wong and, later, by Natalie Jubb who joined the team to provide ten hours a week of administration and policy support to fit in around her university studies.

We learned a great deal as the year progressed. One exercise we undertook was to use £300,000 of the support we received from Currys (then Dixons Carphone) to support teachers by providing access to a device. At the same time, we circulated a questionnaire to teachers in schools in areas of high disadvantage and received nearly 800 replies which indicated that almost half of teachers did not have a device and/or connectivity to get online and complete their school work or their self-development. What became Tech4Teachers was launched and the support of 1000 devices from Currys was augmented by another 650 devices funded through Barclays and Intel.

# LEARNING FOUNDATION

## TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 MARCH 2022*

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Whilst the focus, this year, was very much on establishing the DPA, we continued to have a huge amount to do with our Donation Management and school programme support services.

We had declared from the start that the DPA would "own little and inspire much" with only a small but versatile and flexible team. Nonetheless the addition of 6 new staff members during the year has brought with it opportunities and much-needed resource to move forward confidently with both LF and DPA.

Given the addition of DPA we recognised that we would need more support with financial management and great thanks again to Tom Kane (TK) for his guidance during this year as FinCom Chair. We also added additional time with our accountants, Fern & Co to help during the year.

The DPA also held well-attended all-party parliamentary roundtables supported by the offices of Julie Elliott MP and Siobhain McDonagh.

The profile raising combined with continuing interest in the whole issue of digital exclusion meant that our media appearances changed exponentially and included interviews on Sky News (TV and radio), BBC Morning Live and numerous conferences, podcasts, newspaper and other media work.

The UK Evidence Review was a key work focus for the DPA Team and this was edited by Dr Kira Allmann. The report synthesised over one hundred digital poverty related reports, APPG meeting outcomes and in excess of 150 inputs from the DPA community. This was reviewed widely and ensured that all recommendations were backed by evidence. The resulting evidence and recommendations will be used to develop the National Delivery Plan. The full report was very successfully launched at the House of Lords in June 2022.

We ended the year on a high after having been selected by Currys for their "Pennies" initiative. This would see the DPA as the charity recipient for customer donations at the point of instore sales, asking customers to add a donation to their shopping total in aid of the DPA. These funds will be used for Tech4Families and provide devices and resources to families with school aged children.

We have also pledged to investigate areas we know to have been overlooked or under researched by finding and working with other organisations and adding expertise where we can around areas such as monitoring and assessment and building relevant networks. We have a number of examples of these:

**Tech4 Prison Leavers:** A DPA project. This project also received c£100k of Intel funding (\$150k). We approached Trailblazers to provide the project management and mentoring for this programme, and we have organised an excellent network of partners including NACRO and others to help oversee the work. University of Wolverhampton are carrying out the evaluation, which is in-depth. The scheme will support 25 young men leaving HM YOI Brinsford in the West Midlands and provide a full skills and mentoring package with the aim of testing whether technology can change re-offending rates when accompanied by a full support package. The evaluation will take place over one year. We hope to secure funding for a further proof of concept focussed on female prison leavers, and the different challenges they face.

**Tech4Schools:** A Learning Foundation project in collaboration with Amazon, In Kind Direct and Teach First. Amazon plan to make available £360k of devices delivered directly to schools, with support from In Kind Direct. Schools within the Teach First network will be selected, and the Learning Foundation will lead on evaluation, liaison with schools, marketing and support.

**Research and evaluation around digital poverty:** Keelan Meade, our new Head for this function, is working towards creating a gap analysis on how we can begin to evaluate our own impact as well as measuring digital poverty in the UK through effective and demonstrable evidence.

**Support directory/map:** We are also developing an interactive map and Support Directory, which will provide a key research tool and practical opportunities map and aid the linking of need with offers.

# LEARNING FOUNDATION

## TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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The development of our new ENABLE school donation management system took place over the preceding two years, and has now launched with a robust reporting platform. ENABLE is set up to allow parents to sign up to make donations to the Learning Foundation, which in turn form grants to schools to allow technology to be enjoyed by all children in a year group or class.

Also during the year, a data protection issue was uncovered which was reported to ICO and arose from the team of developers working on our ENABLE system. This was work being undertaken in India and a restricted transfer had taken place without our explicit knowledge. This was effectively dealt with over the next 72 hours and Trustees requested assurance that only UK-based developers have access. As a result, we have since moved to a different firm to support this which is exclusively UK based.

We added some more schools to our ENABLE system and also received support from Intel to help to revamp our website.

Trustees were also involved in discussing and agreeing new and revised LF Policies. We now have a full suite of required and optional policies and include Health and Safety, Data Protection, Equality, and Conflict of Interest. The policies reworking also included staff training where mandated or helpful on areas such as GDPR, health and safety and equality. The policy update also included a refresh of our Financial Policies and Procedures.

### Financial review

Incoming resources during the financial year amounted to £2,139,125, a decrease of around 9% from a year earlier. This fall was due to us not receiving comparable donations to those received the previous year and particularly the £1 million from Currys (was Dixons Carphone). There remains continued disquiet amongst schools about investing in technology especially with school budgets continuing to be under ever-increasing pressure. Unrestricted donations for the general support of the Foundation's activities were £919,507.

Restricted funds of £1,219,618 were received during the year from parental donations made through the Donation Management Service and from grants made to us for work during the pandemic especially from organisations such as the Worshipful Company of Insurers and significant contributions from Intel and individuals. Parental donations were granted back directly to the individual schools we work with and the DAFA funds were used to progress the work of the initiative which is outlined elsewhere in this report.

Outgoing expenditure amounted to £2,368,044. This included grants of £1,078,693 to schools operating e-learning programmes through us. The balance was made up of expenditure for generating funds of £12,567 and charitable activities of £1,276,784 including governance costs of £35,097. We have been ably supported by Fern & Co with our day-to-day finance record keeping and these are in good condition. Our work with Kirk Rice as our auditors has also helped our focus and processes.

The Foundation no longer receives Government funding and hasn't for more than 10 years and our fundraising strategy has been to generate income from broad based and sustainable funding through the Donation Management Service, corporate sponsorship and charitable trust support.

# LEARNING FOUNDATION

## TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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### Reserves policy

As part of the management of risk, the Foundation recognises the need to retain free reserves to enable it to work to a long term strategy without the need to make short term adjustments forced on it by temporary deficits in funding. The Foundation has no regular guaranteed sources of income but does have fixed operating costs in terms of activities required to maintain its presence and further its charitable objectives. The Trustees believe that a target of 6 months cover of all operating costs, plus an estimated cost of closing the charity down in an orderly manner, is a reasonable target of reserves to carry forward.

The target level of free reserves is based on forward budgets and forecasts and takes into account anticipated future income flows adjusted to reflect the risk of non-receipt. The funds received in the 2020 commitment from Currys (was Dixons Carphone at the time) and others has meant that we started and ended the financial year with considerably more than our minimum of 6 months core operating costs in reserves.

Much will still depend on the confidence and engagement by schools and therefore use of our services in achieving the core LF budget. Owing to the risks inherent in the assumptions used in forward planning, the reserves policy and the adequacy of current reserve levels is reviewed regularly, and this was conducted during the year and led by the Chairman and our Finance Committee Chairman, Mr Tom Kane.

### Investment policy

Funds not immediately required for the running of the charity or for the furtherance of its objects are placed on deposit with the charity's bankers to generate interest as part of the Foundation's treasury management operations. In practice, this is rare and we have not invested funds outside of normal banking arrangements for a number of years. No other investment instruments or facilities e.g. equities, bonds or unit trusts are approved by the board. No investments were made during the year.

### Risk management

During the year the Trustees re-examined the major strategic, business and operational risks that the charity faces and the existing action plan was updated accordingly. A programme continues to be in place for the regular monitoring and management of risk on an ongoing basis. The Risk Review is conducted twice a year and Trustees signed off the new Risk Management document at their February meeting.

### Structure, governance and management

The charity is a charitable company limited by guarantee number 1086306, incorporated under the Companies Act 1985 registration number 3978344 on 17 April 2000, and formally launched at the House of Commons in February 2001 following application to the Charity Commission. It is governed by a memorandum and articles of association, last amended on 8 July 2003.

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:

Mr D Burrows	
Mr W McLean	
Mr D Norrish	
Ms N A Parmar	(Resigned 17 May 2021)
Ms L Smyth	(Resigned 2 September 2021)
Ms I Brannen	
Mr T Kane	
Ms V Thompson	
Mr S Bethel	(Appointed 15 June 2022)
Ms B Clarke	(Appointed 15 June 2022)



# **LEARNING FOUNDATION**

## **TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED)**

### **FOR THE YEAR ENDED 31 MARCH 2022**

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The Trustees regularly review the skill set of the board and match this against the requirements of the business plan. On this basis they are able to review the make-up of the board and if necessary recruit new members to fill any apparent gaps or vacancies. New Trustees may be sought by open advertisement, through specialist recruitment agencies and more commonly through recommendation.

Prospective Trustees are reviewed by the Chairman whose recommendations for Trustee appointments are then put before the full Board for approval. Prospective Trustees are invited to attend a Board Meeting as observers to meet the other Trustees and confirm their continued interest to act as a Trustee before the appointment is recorded at Companies House and with the Charities Commission. This is followed by an induction session with the Chief Executive to brief each new Trustee on the detailed operations and operating policies of the Foundation.

This was the fourth full year under the Chairmanship of Niel McLean, a long-standing Trustee and supporter of the Foundation. Since the end of the year we are reporting on, we were joined by two new Trustees - Stephen Bethel and Beverly Clarke and we thank them for making this commitment to us. Neelam Parmar stepped down as a Trustee during the year having accepted a new role based in Asia – we wish her well with her new role, as did Leigh Smyth in order to take up consultancy with the charity.

The Board of Trustees meets on at least four occasions during the year. The board delegates the finance function to the Finance Committee chaired by Mr Tom Kane, for recommendations to the Board. Given the size of the organisation other specialised governance work is taken on either by the whole board or through an individual Trustee. This work includes on areas such as risk, fundraising, employment & remuneration. as recruitment of a new CEO. At least once each year the board reviews both its Risk and Reserves policies.

Relationships between the Foundation and other parties – the Foundation has an additional company called E-Learning Enterprises Limited which has not and does not currently trade. Whilst we cooperate with a wide variety of commercial, governmental and NGO organisations we have no contracted relationships other than with a small number of key suppliers such as for IT support.

#### **Public benefit**

The principles of public benefit, as defined by the Charity Commission, are regularly reviewed and the Trustees confirm that they have had regard to the Charity Commission's guidance and their belief that the Learning Foundation provides identifiable benefits to a section of the public.

# LEARNING FOUNDATION

## TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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### Statement of trustees' responsibilities

The trustees, who are also the directors of Learning Foundation for the purpose 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 which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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;
- 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 financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity 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 charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Learning Foundation's systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss, and include:

- A business plan and an annual budget approved by the Trustees
- Regular consideration by the Trustees of financial results, variance from budgets and non-financial performance indicators
- Delegation of authority and segregation of duties
- Identification and management of risks.
- Adequate systems in place to manage expenses which do not form part of remuneration.

I would like to thank my board for their enthusiasm, commitment and for their input, advice and guidance without which I and the Foundation would not be as effective. I would also like to thank the staff at the Foundation for their continued energy and hard work.

### Auditor

Our auditors are Kirk Rice in Ascot. Within the year their work and ours was supported by Fern & Co who provided us with day-to-day financial support. Since the end of the reporting year, we have appointed new accountants, Hedley Dunk.

The trustees' report was approved by the Board of Trustees.



Mr W McLean

Trustee

22/12/2022

Date: .....

# LEARNING FOUNDATION

## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF LEARNING FOUNDATION

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### Opinion

We have audited the financial statements of Learning Foundation (the 'charity') for the year ended 31 March 2022 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 March 2022 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 charity 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 charity'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 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.

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

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

# LEARNING FOUNDATION

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF LEARNING FOUNDATION

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### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless 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**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

Our audit approach was developed by obtaining an understanding of the charities' activities, the key functions undertaken on behalf of the trustees by management and by service organisations, and the overall control environment. Based on this understanding we assessed those aspects of the charities' transactions and balances which were most likely to give rise to a material misstatement and were most susceptible to irregularities including fraud or error. Specifically, we identified what we considered to be key audit risks and planned our audit approach accordingly.

We gained an understanding of the legal and regulatory framework applicable to the charity and the industry in which it operates, and considered the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud. These included but were not limited to compliance with Companies Act 2006, FRS102, Charities Act 2011 and SORP.

We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion.

We focused on laws and regulations that could give rise to a material misstatement in the company financial statements. Our tests included, but were not limited to:

- Agreement of the financial statements disclosures to underlying supporting documentation;
- Enquiries of management;
- Considering the effectiveness of control environment in monitoring compliance with laws and regulations.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. As in all of our audits we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud.

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.

# LEARNING FOUNDATION

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF LEARNING FOUNDATION

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### Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

*Graham Jennings*

**Graham Jennings (Senior Statutory Auditor)**  
for and on behalf of Kirk Rice LLP

22/12/2022  
.....

**Statutory Auditor**

The Courtyard  
High Street  
Ascot  
Berkshire  
SL5 7HP

Kirk Rice LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

# LEARNING FOUNDATION

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
<b>Income from:</b>							
Donations and legacies	3	790,384	1,219,618	2,010,002	857,209	1,392,771	2,249,980
Charitable activities	4	129,024	-	129,024	101,576	-	101,576
Investments	5	99	-	99	94	-	94
<b>Total income</b>		<b>919,507</b>	<b>1,219,618</b>	<b>2,139,125</b>	<b>958,879</b>	<b>1,392,771</b>	<b>2,351,650</b>
<b>Expenditure on:</b>							
Raising funds	6	12,567	-	12,567	1,747	-	1,747
Charitable activities	7	1,276,784	1,078,693	2,355,477	258,583	1,142,771	1,401,354
<b>Total expenditure</b>		<b>1,289,351</b>	<b>1,078,693</b>	<b>2,368,044</b>	<b>260,330</b>	<b>1,142,771</b>	<b>1,403,101</b>
<b>Net (expenditure)/income for the year/</b>							
<b>Net movement in funds</b>		<b>(369,844)</b>	<b>140,925</b>	<b>(228,919)</b>	<b>698,549</b>	<b>250,000</b>	<b>948,549</b>
Fund balances at 1 April 2021		848,491	266,214	1,114,705	149,942	16,214	166,156
<b>Fund balances at 31 March 2022</b>		<b>478,647</b>	<b>407,139</b>	<b>885,786</b>	<b>848,491</b>	<b>266,214</b>	<b>1,114,705</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# LEARNING FOUNDATION

## BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Tangible assets	12		10,331		22,470
<b>Current assets</b>					
Stocks	13	199,200		-	
Debtors	14	65,621		263,780	
Cash at bank and in hand		856,232		1,112,954	
		1,121,053		1,376,734	
<b>Creditors: amounts falling due within one year</b>	15	(245,598)		(284,499)	
Net current assets			875,455		1,092,235
<b>Total assets less current liabilities</b>			885,786		1,114,705
<b>Income funds</b>					
Restricted funds			407,139		266,214
Unrestricted funds			478,647		848,491
			885,786		1,114,705

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2022, although an audit has been carried out under section 144 of the Charities Act 2011.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 22/12/2022



Mr W McLean  
Trustee

Company registration number 03978344

# LEARNING FOUNDATION

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
<b>Cash flows from operating activities</b>					
Cash (absorbed by)/generated from operations	20		(252,613)		677,563
<b>Investing activities</b>					
Purchase of tangible fixed assets		(4,208)		(22,470)	
Investment income received		99		94	
<b>Net cash used in investing activities</b>			(4,109)		(22,376)
<b>Net cash used in financing activities</b>			-		-
<b>Net (decrease)/increase in cash and cash equivalents</b>			(256,722)		655,187
Cash and cash equivalents at beginning of year			1,112,954		457,767
<b>Cash and cash equivalents at end of year</b>			856,232		1,112,954



# LEARNING FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2022

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#### 1 Accounting policies

##### Charity information

Learning Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is Index House, St Georges Lane, Ascot, Berkshire, SL5 7ET.

##### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity'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) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. 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 trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. In assessing the charity's ability to remain a going concern, the trustees have considered the level of future minimum outgoings of the charity in comparison with the available funds and expected future incomings. 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 the notes to the financial statements.

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

##### 1.4 Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Parental donations collected via the Donation Management System (DMS) are included when receivable. Incoming resources generated from sponsorship and advertising are included when receivable. Income from equity investment is accounted for an ex div date basis. Bank and other interest is accounted for on a receivable basis.

# LEARNING FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 1 Accounting policies

(Continued)

#### 1.5 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources. Resources expended include attributable VAT which cannot be recovered.

Grants payable are charged in the year when the offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attached under the control of the charity are fulfilled. Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure. The directly attributable costs of processing grants and applications, including support to actual and potential applicants are included in charitable activities. The activity of Grants Payable does not receive any allocation or estimated proportion of non-directly attributable costs or other overhead costs.

#### 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 and fittings	25% straight line
Computers	25% 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 charity 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 Stocks

Stocks of donated goods are recognised at the fair value (being the estimated market value) of the goods at the time they are received with a corresponding entry to income. Stocks are recognised as an expense at the time they are donated to the charity's beneficiaries.

#### 1.9 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.

# LEARNING FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

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#### 1 Accounting policies

(Continued)

##### 1.10 Financial instruments

The charity 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 charity's balance sheet when the charity 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.

##### **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.

##### **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 charity's contractual obligations expire or are discharged or cancelled.

##### 1.11 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 charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 2 Critical accounting estimates and judgements

In the application of the charity'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.

## LEARNING FOUNDATION

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

#### 3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022 £	2022 £	2022 £	2021 £	2021 £	2021 £
Donations and gifts	790,384	1,219,618	2,010,002	857,209	1,392,771	2,249,980
<b>Donations and gifts</b>						
Digital Poverty Alliance	219,828	-	219,828	775,000	-	775,000
Donations of less than £2,000 including parental donations from DMS	32,756	1,064,521	1,097,277	66,964	1,142,771	1,209,735
Tech4Teachers	11,000	140,000	151,000	15,245	250,000	265,245
Donated laptops relating to Digital Poverty Alliance	526,800	-	526,800	-	-	-
Gift Aid contributions on DMS income	-	15,097	15,097	-	-	-
	790,384	1,219,618	2,010,002	857,209	1,392,771	2,249,980

All restricted DMS donations are included in the grants paid back to the schools.

Gift Aid refunds are claimed from HM Revenue and Customs on eligible donations made through the DMS, 90% of which is granted back to schools in the DMS scheme, with the remaining 10% retained by the charity and put towards administration of the scheme.

# LEARNING FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 4 Charitable activities

	General fund 2022 £	General fund 2021 £
Commissions, conferences and admin fees	129,024	101,576

### 5 Investments

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Interest receivable	99	94

### 6 Raising funds

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
<u>Fundraising and publicity</u>		
Conference & exhibition costs	12,154	1,705
Other fundraising costs	413	42
	<u>12,567</u>	<u>1,747</u>
Fundraising and publicity	12,567	1,747

## LEARNING FOUNDATION

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

#### 7 Charitable activities

	Grant funding of activities 2022 £	School support 2022 £	Campaigning 2022 £	Sustainable Fundraising 2022 £	Support 2022 £	Total 2022 £	Total 2021 £
Charitable projects	-	912,707	-	-	-	912,707	36,821
Grant funding of activities (see note 9)	1,078,693	-	-	-	-	1,078,693	1,142,771
Share of support costs (see note 8)	-	188,316	29,412	53,567	57,685	328,980	214,308
Share of governance costs (see note 8)	-	-	-	35,097	-	35,097	7,454
	<u>1,078,693</u>	<u>1,101,023</u>	<u>29,412</u>	<u>88,664</u>	<u>57,685</u>	<u>2,355,477</u>	<u>1,401,354</u>
<b>Analysis by fund</b>							
Unrestricted funds	-	1,101,023	29,412	88,664	57,685	1,276,784	258,583
Restricted funds	<u>1,078,693</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,078,693</u>	<u>1,142,771</u>
	<u>1,078,693</u>	<u>1,101,023</u>	<u>29,412</u>	<u>88,664</u>	<u>57,685</u>	<u>2,355,477</u>	<u>1,401,354</u>

## LEARNING FOUNDATION

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

#### 7 Charitable activities

(Continued)

For the year ended 31 March 2021

	Grant funding of activities £	School support £	Campaigning £	Sustainable Fundraising £	Support £	Total 2021 £
Charitable projects	-	36,821	-	-	-	36,821
Grant funding of activities (see note 9)	1,142,771	-	-	-	-	1,142,771
Share of support costs (see note 8)	-	118,566	21,254	33,669	40,819	214,308
Share of governance costs (see note 8)	-	-	-	7,454	-	7,454
	<u>1,142,771</u>	<u>155,387</u>	<u>21,254</u>	<u>41,123</u>	<u>40,819</u>	<u>1,401,354</u>
<b>Analysis by fund</b>						
Unrestricted funds	-	155,387	21,254	41,123	40,819	258,583
Restricted funds	1,142,771	-	-	-	-	1,142,771
	<u>1,142,771</u>	<u>155,387</u>	<u>21,254</u>	<u>41,123</u>	<u>40,819</u>	<u>1,401,354</u>

# LEARNING FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 8 Support costs

	Support costs	Governance costs	2022 Support costs	Governance costs	2021
	£	£	£	£	£
Staff costs	222,504	-	222,504	172,664	172,664
Depreciation	16,347	-	16,347	-	-
Communications	1,008	-	1,008	1,658	1,658
Irrecoverable VAT	43,616	-	43,616	-	-
Travel	2,598	-	2,598	640	640
Premises & general office	8,420	-	8,420	12,415	12,415
IT & telecommunications	17,662	-	17,662	15,589	15,589
Accountancy fees	13,498	-	13,498	8,354	8,354
Bank charges	3,327	-	3,327	2,988	2,988
Audit fees	-	6,975	6,975	-	6,000
Legal and professional	-	28,122	28,122	-	1,329
Trustee indemnity insurance	-	-	-	-	125
	<u>328,980</u>	<u>35,097</u>	<u>364,077</u>	<u>214,308</u>	<u>221,762</u>
Analysed between Charitable activities	<u>328,980</u>	<u>35,097</u>	<u>364,077</u>	<u>214,308</u>	<u>221,762</u>

Governance costs includes payments to the auditors of £6,975 (2021- £6,000) for audit fees.

### 9 Grants payable

	Grant funding of activities 2022	Grant funding of activities 2021
	£	£
Grants to institutions:		
Other	<u>1,078,693</u>	<u>1,142,771</u>

All grants payable were made to institutions participating in the DMS programme from funds that were restricted to use for that purpose only.



# LEARNING FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 10 Trustees

One of the charity's former trustees, Ms L Smyth, received remuneration from the charity during the year in the sum of £101,100. Of this, during her time as a Trustee, she was paid £47,000.

The former trustee was employed as a consultant during the year, however the process for approving this arrangement, whilst in good faith, has now been shown was not fully in line with the governing document of the charity, nor compliant with the Charities Act 2011. Following their initial appointment, the individual continued their work on a pro bono basis from 1st February 2022. The Trustees agreed a new Conflict of Interest policy in March 2022 after this occurred. They have now taken professional advice relating to this event, and additionally, they have proactively contacted the Charity Commission to discuss the matter, with the aim of ensuring that this would not ever recur.

#### Trustees' expenses

Travel expenses reimbursed for trustees during the year were £nil (2021: £nil).

### 11 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Administration	5	4

#### Employment costs

	2022 £	2021 £
Wages and salaries	222,504	172,664

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

	2022 Number	2021 Number
£60,001 - £70,000	1	1

During the accounting period, the charity paid £6,518 (2021: £6,518) to a defined contribution scheme for the above higher paid employee, excluding salary sacrifice. There was 1 (2021: 1) such employee accruing benefits under the money purchase scheme.

# LEARNING FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 12 Tangible fixed assets

	Fixtures and fittings	Computers	Total
	£	£	£
<b>Cost</b>			
At 1 April 2021	-	38,038	38,038
Additions	428	3,780	4,208
Disposals	-	(3,047)	(3,047)
At 31 March 2022	428	38,771	39,199
<b>Depreciation and impairment</b>			
At 1 April 2021	-	15,567	15,567
Depreciation charged in the year	107	16,241	16,348
Eliminated in respect of disposals	-	(3,047)	(3,047)
At 31 March 2022	107	28,761	28,868
<b>Carrying amount</b>			
At 31 March 2022	321	10,010	10,331
At 31 March 2021	-	22,470	22,470

### 13 Stocks

	2022	2021
	£	£
Donated goods	199,200	-

### 14 Debtors

	2022	2021
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	30,000	-
Other debtors	35,177	13,357
Prepayments and accrued income	444	250,423
	65,621	263,780

# LEARNING FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 15 Creditors: amounts falling due within one year

	2022 £	2021 £
Other taxation and social security	10,442	3,865
Trade creditors	14,066	6,717
Other creditors	214,440	268,017
Accruals and deferred income	6,650	5,900
	<u>245,598</u>	<u>284,499</u>

Other creditors relates to DMS grants due to be paid out to schools at the year end.

### 16 Retirement benefit schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund. Pension costs are allocated in proportion to the related staffing costs incurred and are wholly charged to unrestricted funds.

### 17 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 March 2022 are represented by:						
Tangible assets	10,331	-	10,331	22,470	-	22,470
Current assets/(liabilities)	468,316	407,139	875,455	826,021	266,214	1,092,235
	<u>478,647</u>	<u>407,139</u>	<u>885,786</u>	<u>848,491</u>	<u>266,214</u>	<u>1,114,705</u>

### 18 Financial commitments, guarantees and contingent liabilities

As a condition of donations it received during the year ended 31 March 2021, the charity is committed to sourcing certain future equipment purchases, for onward donation to its benefactors, through designated suppliers. The amount and timing of this expenditure is not certain, and will be recognised as expenditure in the years in which it is incurred.

### 19 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).

# LEARNING FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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20	Cash generated from operations	2022 £	2021 £
	(Deficit)/surplus for the year	(228,919)	948,549
	Adjustments for:		
	Investment income recognised in statement of financial activities	(99)	(94)
	Depreciation and impairment of tangible fixed assets	16,347	-
	Movements in working capital:		
	(Increase) in stocks	(199,200)	-
	Decrease/(increase) in debtors	198,159	(237,259)
	(Decrease) in creditors	(38,901)	(33,633)
	<b>Cash (absorbed by)/generated from operations</b>	<b>(252,613)</b>	<b>677,563</b>
		<u>          </u>	<u>          </u>
21	<b>Analysis of changes in net funds</b>		
	The charity had no debt during the year.		