



Treloar Trust Report and Accounts

For The Year Ended 31 August 2018

Company number 4466362
Registered Charity Number 1092857

 **Treloar's**
Enabling Education

December



WELCOME

Increasingly, and nationally, Treloar's is helping to change the landscape of physical disability education for the better. Treloar's work is providing education and more to students from all over the UK and our training, support and outreach programmes benefit local and distant beneficiaries alike from Alton to Nuevo Leon in Mexico. Not only do we provide a School and College but: we take our message to the top table of government, we partner with local authorities, we invest in innovative solutions and technologies and we work hard to use our growing reputation to lead improvements in education and care standards far beyond our campus.

We have big ambitions for the next phase of our development; our plans include broadening the existing College curriculum, adding to post-College support and increasing our staff accommodation for key workers. These plans will help us increase the scope of opportunities available to young learners as well as supporting young people navigate the difficult path from education into independence/ employment.

The students of our School and College have excelled again this year and academic outcomes have been excellent with 92% of all academic targets being met or exceeded, including 100% in GCSE and A level with all of those applying to higher education being accepted on their chosen course. Away from the classroom, our students have been out and about completing over 107 work experiences, singing to distinguished audiences and at music festivals, competing in national sports events, earning Duke of Edinburgh and other awards and enjoying a plethora of clubs and activities too numerous to list. Often however, the most important successes for our students' futures have been the personalised goals achieved, be it an independence skill mastered or an ambition realised. All of these achievements have contributed to our set of four "Outstanding" judgements across School and College from OFSTED and the Care Quality Commission (CQC).

As ever, there are two groups that deserve our thanks: our staff, of whom the CQC states "the dedication and motivation of staff allowed students to achieve their potential"; and our supporters. Without these two groups we would not be able to create the environment that enables our students to flourish nor would we be able to provide the excellent education, care and hope for the future that these exceptional young people so rightly deserve.

We hope that the pages that follow help to give you a better insight into what have achieved over the year and a flavour of what we want to achieve going forward.

Tony Reid, CEO, and Alistair Mackintosh, Chair of Trustees



ABOUT TRELOAR'S

Founded in 1907, Treloar's is the UK's leading centre for severely physically disabled children and young people. Treloar's offers outstanding teaching, learning, professional care, therapy and guidance so that every individual can live, learn, achieve and work towards a future that is as independent as possible.

Treloar School and College offers approximately 170 students, aged 2 to 25 from all over the UK and abroad, a unique and specialist environment where education works alongside therapy and care. This holistic approach sees the teachers, therapists, medical staff, dietitians, visual impairment adviser, counsellors, transition staff, technicians and engineers working as one team to support every individual and ensure that they achieve all that they can.

The students at Treloar's are contending with the most complex disabilities and, unfortunately, with those disabilities comes further conditions such as learning difficulties, visual impairments, no verbal communication, medical and dietary issues, lack of social awareness, mental health problems and life-limiting conditions. The following gives an indication of the complexity of our students' needs:

- 98% of our students are wheelchair users;
- 80% have speech, language and communication challenges;
- 44% are non-verbal or require support from communication aids;
- 38% have a visual impairment; and
- 20% have a life limiting condition.



South Downs National Park - Work Experience

As part of their Year 11 Work Experience programme School students Kitty and Amos went to the South Downs National Park Head Office in Midhurst, West Sussex. Both spent two days there, one creating learning resources and the other creating graphs for presentations amongst other things.

"Thank you Kitty and Amos for all of your hard work."

Feedback from South Downs National Park





STUDENT ACHIEVEMENTS

Once again our students have had a very successful year, both in the classroom and beyond.

Outcomes for School

Students' outcomes were very strong based on their achievement of intended destinations, achievement of academic and independence and wider curriculum skills targets and achievement of qualifications:

- 91% of individual education plan targets were fully achieved
- 100% of our GCSE cohort exceeded their target grades
- Student achievement of other qualifications was also exceptionally high – at Level 1 a 100% success rate and 95% at Entry level

Many of the most significant achievements are not as easily quantifiable but we had another very busy year of activities that enabled students to improve their skills and to demonstrate progress. This included participation in large range sporting competitions and, in particular, in the pool, where students enjoyed particular success. Music continues to be a distinctive feature of the curriculum at the School. In addition to giving all students the opportunity to benefit from our excellent musical offer, there were performances to both local audiences, such as the Alton Maltings Christmas Concert, and at significant fundraising events such as the Mansion House Gala Dinner. The annual T-Fest musical celebration and the production of Beauty and the Beast also gave students the opportunity to perform and excel in the Performing Arts.

Building on our existing programme of residential trips, new outdoor activities aimed at building confidence, self-esteem and resilience were also introduced.

Outcomes for the College

Students' outcomes were outstanding at all levels. In particular:

- 93% of individual learning plan targets were fully achieved
- 92% of academic targets were fully achieved
- 100% of GCSE and functional skills qualifications in English and Maths were achieved
- All 5 students aiming to progress to Higher Education achieved their goal

College students took part in very successful residential trips which gave them the opportunity to learn and develop independence skills in a challenging environment.

Duke of Edinburgh's Award Scheme

Last academic year 26 students completed their Bronze Award: 12 students completed a sailing expedition and 12 completed a wheelchair expedition.

Work Experience

107 Work placements were completed by students which allowed them to experience learning in a work-related environment as well as to get a realistic idea of the world of work, enabling students to make a more informed choice when planning their future. We have now achieved the Fair Train Gold standard, recognising the quality of our work experience programme. To support students with transition, we are delighted to have been awarded £50,775 over a three-year period from the Masonic Charitable Foundation to fund a Work Experience Officer.



107
STUDENT
WORK
PLACEMENTS



26
DUKE OF
EDINBURGH
AWARDS



92%
ACADEMIC
TARGETS
ACHIEVED



Working hard to achieve ambitions

Former students Natalia, Patrick and Peter all left Treloar College in 2018 and are pursuing undergraduate degrees at Solent University, living in halls of residence and working hard to achieve their ambitions.

"I'm living in the halls of residence and I'm enjoying myself, but the course is pretty difficult."

Former student Patrick

'OUTSTANDING' PROVISION

OFSTED and the CQC have confirmed Treloar's as one of the very best schools and colleges in the country with "Outstanding" ratings across the board.

Treloar School was awarded "Outstanding" by OFSTED in its inspection in January 2018 and the residential provision for the School was awarded "Outstanding" by OFSTED in March 2018. This means that all of the provision at Treloar's is rated "Outstanding" following the OFSTED and CQC inspections of the College of 2016-17. Nationally only 2% of providers are rated by the CQC as 'Outstanding'.

The School Inspection:

OFSTED has rated the School as "Outstanding" in all key aspects of its provision. It also rated the sixth form as "Outstanding" and the new Early Years Provision as "Good."

Inspectors were particularly impressed with the "outstanding success" that students achieve at Treloar's. Staff and governors were praised for creating a culture where students excel in their learning and the highest quality of therapy is integrated into provision to allow students to make excellent progress. Students were very well-prepared for future challenges and inspectors described the School as a dynamic environment in which to learn.

Highlights from the report:

The school is an inspiring setting in which pupils are constructively supported to overcome barriers to learning, including physical disability.... The leadership of teaching is highly effective.... Leaders prepare pupils for life in modern Britain by helping them to develop a strong understanding of fairness, freedom and

justice for all groups of people.... Teachers know their pupils exceptionally well and plan in detail for each of them. They set pupils well-matched but challenging targets and provide consistent encouragement.... The school's work to promote pupils' personal development and welfare is outstanding. One parent summarised the thoughts of many, noting, 'My child's progress has been amazing...her independence and ability to choose has really grown, as has her confidence and interaction with others.'

The School Residential Inspection:

OFSTED once again rated the School's residential provision as "Outstanding" in all areas at its inspection. For the latest report inspectors spent three days at the School observing provision and collecting the views of students, staff and parents.

Highlights from the report:

The staff understand the children's needs and the plans that are in place to meet them.... The children say that they are listened to and are able to influence the way in which the school is run.... A parent said: 'This is an incredible school. The care my son receives is exceptional and has proved life-changing.'... Every activity and interaction is designed to promote and develop the children's independence.... The school works hard to maintain positive and participative links with families. Staff seek regular feedback and communicate frequently.



**COLLEGE
'OUTSTANDING'**



**COLLEGE
'OUTSTANDING'**



**SCHOOL
RESIDENTIAL
'OUTSTANDING'**



**SCHOOL
'OUTSTANDING'**



The impact of the new Primary Playground

"When Primary first opened at Treloar's four years ago, the children all had the opportunity to learn inside but lacked an outdoor space. A new outdoor play and learning area was desperately needed and so last year we embarked on this project. With your generous donations you have helped to make learning and play exciting and accessible and put a smile on their faces. Thank you so much for helping us to get outside and learn!"

Beth Arnott, Primary Teacher

THANKS TO OUR DONORS...

More than £2 million was raised from over 2,200 donors in 2017-18. This support enables us to provide the specialist equipment, facilities, activities and staff to meet very complex needs.

Fundraising income was an amazing 87% higher than the previous year, thanks to an exceptionally large legacy and all our incredibly generous donors.

There were so many activities and events to raise funds through the year and we thank each and every person and organisation who supported us in so many different ways. Here are a few of the highlights:

Primary Playground appeal

We were delighted with the support for our appeal to provide our primary school students with a new fully accessible playground. We welcomed guest of honour and Treloar's Patron Alan Titchmarsh to the School to officially open the new playground.

Campbell Court

We received generous gifts from donors, including the ACT Foundation and the Wolfson Foundation, in support of refurbishing our supported living flats for young disabled adults, Campbell Court. We have updated and modified the facilities to give the young adults the opportunity to access independent living skills training and lead more fulfilled lives as a result.

Corporate volunteering

Through the year we have welcomed many corporate volunteering groups who have worked exceptionally hard gardening, painting and helping with the general maintenance of our grounds. This support is hugely appreciated and is also a fantastic way for companies to reward their staff and encourage team building.

The City of London

The Rt Hon the Lord Mayor of the City of London and the Livery Companies are hugely generous to Treloar's. The Lord Mayor visits every year and encourages Liveries to make significant donations, this year totalling over £190,000. Funding from City of London Livery Companies has included support for the Dietetic Team, the Transition Team, the Assistive Technology Team, MSc degrees in Social, Emotional and Mental Health, and a wheelchair racing track. We extend our grateful thanks to the Liveries and related organisations that support us every year.

TRElottery

The TRElottery is a vital and regular income stream for Treloar's. We are indebted to the 3,500 regular players who helped us raise £166,000 this past year.

Legacies

Legacies are a vital part of our income; people are so kind and thoughtful. Legacy income funds everything from equipment to key services. The £1M of legacies left to us this year have exceeded our wildest expectations and will have an impact on our young people for the next 50 or more years.

More key highlights

- 39 people took part in active events including the London Marathon, raising nearly £28,000.
- 500 people made a regular gift through the year.
- Over 2,200 people took part in Treloar's organised events through the year.





The difference the Neater Eater makes

The Neater Eater give our students the opportunity to be more independent, improves their eating experience and gives them back some level of control over what they eat.

"I like it [the neater eater] a lot; I normally have to tell people what I'd like off my plate but using this I feel more independent and more in control of feeding myself."

School Student Jamie

MAKING A DIFFERENCE

Donations permit our students to have access to the latest technologies, specialist staff and the ability to travel off campus

Independence

Enabling our students to be as independent as possible lies at the heart of what we do whether that be eating and drinking independently through the use of technology like “neater eaters”, offering independence flats for our students to learn the life skills they need for the future all the way through to providing transport and funds for community skills trips. These experiences have a life-changing impact on our students and are only made possible thanks to our generous donors.

Dietitians

The Dietetic Team at Treloar's has the crucial job of ensuring each student is well-nourished, as healthy as possible, and ready to meet the demands of the classroom. Every student attending Treloar's has a named dietitian to take care of their nutritional health. The Worshipful Company of Cooks has supported the Team for years and increased their support this year in recognition of the way the team's workload has grown. The Body Composition Machine was an additional gift and helps dietitians monitor students' body fat, muscle mass and percentage body water.

Providing a voice

Around 80% of our students have language and communication difficulties and 44% are non-verbal or require support from Augmentative and Alternative Communication equipment. To support students' complex communication needs it is essential for our Speech and Language Therapists (SLT) to trial the latest technology and work out what equipment

suits their requirements. Cheyne Charity has generously funded the creation of the Cheyne Charity Library of SLT equipment for students to use and trial, which has been added to over the past year. Students can find out what equipment works for them, obtain funding for their own communication device and ultimately find their own voice.

Community inclusion

Around 98% of our students rely on wheelchairs to get around campus and purpose-built vehicles if they want to go further afield. Last year our transport fleet provided around 3,500 journeys travelled. These journeys helped students gain vital independence, achieve inclusion in the community and go on community activities. This is only made possible with the support of our donors as the cost of vehicles is not covered by statutory funding.

Cutting Edge Technology

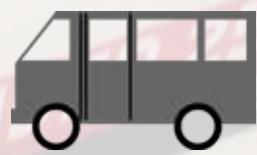
With thanks to generous donors we have been able to purchase a Jaco Robotic Arm which is due to arrive at the end of 2018. Jaco is an innovative and cutting edge robotic arm, particularly relevant to our Muscular Dystrophy students whose condition will sadly deteriorate over time as their muscles weaken. Jaco has the potential to give them back control and the ability to complete tasks for themselves again like eating, drinking, opening a door, pressing a switch and scratching their face.



**100%
OF STUDENTS
HAVE NAMED
DIETITIAN**



**100+
SLT ITEMS
IN LIBRARY**



**3,500
TRANSPORT
TRIPS**



Outreach has been a lifeline...

"Treloar's Outreach has been a lifeline for my daughter. She is immensely vulnerable and insecure as she combines learning difficulties, aphasia and quadriplegia. Specialist skills and expertise were either absent or intensely dispersed since leaving Treloar's. Outreach facilitates attentive experts in a pool of excellence with support tailored to her needs with skills she crucially needed but were unavailable in her life post-Treloar's."

Parent of an ex-student

OUTWARD FOCUS

As a leader in disability education, it is important that our impact is felt by the whole disability community. To this end we run a full outreach programme and campaign tirelessly for the whole disability community.

Outreach

Outreach is the link between our highly specialist staff and facilities and those that require such services.

Residential short breaks not only provide an income to Treloar's but provide a solid foundation to help these charitable groups deliver the best experience to break down barriers of what can be achieved by people with disabilities.

A significant achievement this year was the Order of Malta Volunteers International Holiday Camp 2018. This brought together:

- 200 international guests with additional needs
- 280 international volunteers
- 23 countries
- 20 staff

Just some of the feedback received:

"We can't believe the facilities, they're amazing!"

"Wow, we haven't had to build one ramp, this is unheard of at previous camps"

"Thank you so much for sharing your site with us, we are truly grateful"

With over 200 delegates from 125 organisations attending our training courses last year, there is a growing recognition and need for charities, schools and colleges seeking our expertise to deliver an improved service.

We delivered over 950 hours of therapy services and assistive technology.

Campbell Court

Campbell Court is a community of seven self-contained ground floor flats with 24 hour access to staff located adjacent to the Treloar's campus. In 2017-18, the flats were

occupied by a variety of tenants all with the purpose of learning independence skills.

The person-centred focus of Campbell Court helps tenants to learn life skills, to become as independent as possible and to find out who they are so they can make the decisions that need to be made regarding their future. Tenants work hard as some come with separation, mental health and access issues. Staff work with tenants in their search for the correct support to make their own decisions, gradually building confidence.

Thanks to the generosity of the ACT Foundation and the Wolfson Foundation the accommodation was upgraded including the addition of two rooms to house the personal assistants of our more complex young tenants.

A National Voice

During the 2017/18 year we worked with Government Ministers (our Local MP Damian Hinds is also the Secretary of State for Education), senior Civil Servants in the Department for Education, Local Authorities and their Strategic Alliances, CCGs and other organisations to ensure the profile of disability and special education was raised. This year we also carried out independent research with our key stakeholders, including over thirty Local Authorities to ascertain their input on our provision and help contribute to our new 10-year Strategic Plan, *Treloar's 2028*. We continue to remain close to our sector professional bodies, NASS and NATSPEC, as well as relevant key interest groups, such as Action CP, Muscular Dystrophy and the Council for Disabled Children.



**500
GUESTS AT
INTERNATIONAL
SUMMER CAMP**



**200
EXTERNAL
DELEGATES
TRAINED**



**950
OUTREACH
THERAPY
HOURS**



Volunteer of the Year Award

Michelle was awarded our Volunteer of the Year Award for the support she has given Sixth Form class TFEJ over the last 2 years, especially during the performances of *Antony & Cleopatra* and *The Tempest*. Sixth Form teacher Jenny said "I do not know what I would do without Michelle and her positive rapport and understanding of the needs of our students is outstanding. She came along to help out with no formal training but heaps of life experience and has made the most wonderful contribution. A very unassuming but special lady".

STAFFING AND THE CAMPUS

Our staff are our greatest asset. Skilled, hardworking and totally committed to our students, their efforts are instrumental in creating the special environment that helps our students thrive.

Our Staff

During 2017-18, we averaged 825 full- and part-time staff on our books including teachers, nurses, therapists, care workers, drivers, chefs, fundraisers, housekeepers, assistive technologists, transition workers and a chaplain. All these professionals work together in multi-disciplinary teams to create a full and integrated service. Their efforts were complemented by volunteers working over 17,000 hours.

We are proud of the wide ranging skills of our staff and are committed to their continuing professional development: 58 staff completed 77 recognised qualifications during the year, including Level 3 Health and Social Care, Level 3 Residential Childcare, Level 3 Teaching and Learning in Schools, Level 4 NVQ in Information Advice And Guidance, and Levels 1 & 2 Functional Skills in Maths and English. Our training courses are held as a beacon in our industry and increasing numbers of external organisations sign up to Treloar's courses to give their own teams exposure to some of the high class training we consider as standard for our own staff.

In an industry struggling to recruit, we are delighted that we finished the year with a full complement of staff, achieved in part through our hard won reputation as a good employer and in part through innovative recruitment from across the UK and Europe. As well as recruitment campaigns in the UK, we have also carried out successful overseas campaigns, recruiting student support assistants from Spain, Portugal, Greece and Hungary.

Benefits at Treloar's are well above the sector norms and provide important flexibility and support to our dedicated staff. Benefits include a contributory pension scheme, life insurance, Occupational Health Service, discounted gym membership,

childcare voucher scheme and an HSF Health Cash Plan/HSF Perkbox, which includes discount vouchers for high street shops and internet shopping.

Staff are offered plenty of sports and social opportunities with the opportunity to meet other colleagues through social events including BBQs, Christmas parties, cinema and quiz nights, swimming, netball, yoga and other sports trips and social events.

We are delighted that our efforts to support and develop our teams have been recognised by Investors in People who have given us their prestigious Gold Award. We also hold the Investors in People Health and Wellbeing Award and were ranked 7th place as a Leader in Diversity by the National Centre for Diversity.

The Campus

The hub of Treloar's services are provided on or from our specially designed campus in Holybourne, just outside the market town of Alton in rural East Hampshire. Totalling 20,000 square metres, the campus houses the School, the Nursery, the College, 5 new or recently refurbished boarding houses, health centre, therapy gym, technology centre, social club, boccia court, dining rooms, music centre, swimming pool, hydrotherapy pool, a new rebound therapy suite as well as outdoor space that includes a sports court, an athletics track, an outdoor classroom/wigwam trail and a sensory garden.

These facilities are used by approximately 170 students during term time and by our 52 week students and other charities to provide respite in the holidays.

It is our extraordinary staff and the resources, externally funded by our generous donors, that enable the experience and outcomes of our students to be so special.



77
NEW
QUALIFICATIONS
COMPLETED





STRATEGIC REPORT

(INCORPORATING THE DIRECTORS' REPORT)

OVERVIEW OF ACTIVITIES

The Trustees of Treloar Trust ("the Charity"), who are also directors of the Charity for the purposes of the Companies Act, present their annual report for the year ended 31 August 2018 under the Companies Act 2006 and the Charities Act 2011, together with the audited financial statements for that year. The financial statements comply with the requirements of the Companies Act 2006, the Charity's Memorandum and Articles of Association and the relevant Statement of Recommended Practice (the Charities SORP (FRS 102) effective 1 January 2015).

The Charity is a registered charity (No. 1092857) and a company limited by guarantee (No. 4466362). Its registered office is shown on the back of this report.

The present Trustees and any past Trustees who served during the year are shown on page 47, together with the names of the senior executive staff and the principal external advisers as at the date of the signing of this report.

The Trustees review the purpose, aims and activities of the Charity each year. This review looks at the achievements during the previous year, beyond the mere finances, and explains the number of beneficiaries assisted and the extent of that assistance. When carrying out the review and planning future activities, the Trustees refer to the guidance contained in the Charity Commission's general guidance on public benefit. In particular the Trustees consider how planned activities will contribute to the aims and objectives they have set.

The Charity's purpose, as set out in the objects clause contained in its Articles of Association, is: "To promote the relief of persons with disabilities (whether physical or otherwise) ("Beneficiaries") and in particular but without limitation by any or all of the following:

- The promotion, provision and maintenance of schools, colleges and other educational establishments;
- The promotion and provision of care, therapy, treatment and counselling to Beneficiaries;
- The promotion of employment of Beneficiaries whether by way of the creation and operation of workshops and facilities or otherwise; and
- The improvement of knowledge, understanding and awareness of the public into the conditions of life and needs of Beneficiaries and in particular but without limitation by the promotion of research and the publication of the useful results of such research."

The Charity has four main activities: Educating young people with physical disabilities, Residential Care, Clinical Services and Outreach Services.





UPDATE ON PLANS AND DEVELOPMENTS

In our 2016/7 annual report we reported on our plans for 2017/18 and beyond. These plans, together with an update on progress, are described below:

- Continue to focus on the School and College as our primary centres of expertise: 87% of our income came from the School and College in the year.
- Continue to focus on quality as we build on our recent recognition of our provision as Outstanding and ensure that this level of quality is applied to all areas of our work: OFSTED judgement on School education in the year completes our unique set of 4 Outstanding judgements.
- Fill a gap in the Local Offer of local authorities at a price acceptable to commissioners. Prices per input have increased by less than inflation yet again.
- This includes supporting students with increasingly challenging conditions and welcoming students outside term time: Our 52 week offer has been amended to support more complex students and this provision continues to grow.
- Develop a long term strategy to deliver benefit to an increasing number of beneficiaries: At the year end, the Trust was starting to work on a 10 year strategy that has at its heart the desire to support more beneficiaries especially in the period immediately following College.
- Continue to develop the Holybourne campus so that it continues to meet the changing needs of our students. A site strategy has been formulated and outline planning permission is being submitted to deliver a site fit for the next 10 years (at least).
- Act to ensure that we attract, retain and develop the very best staff to support our student cohort. Staff numbers continue to grow and training rates increase. Planning permission is being sought for on-site accommodation.
- Develop our offering to enable ever more medically complex students to benefit from our services. Average complexity rates have grown and nursing provision has been extended – with house-based nursing and non-term time nursing now in place. Appropriate extra infrastructure investment has been made including an upgraded nurse call system.
- Grow Fundraising to over £2m within 3 years £2m achieved in 2017/18, now working to make £2m+ a permanent feature – in 2018/19 we are budgeting for £1.75m of Fundraising.
- Act to support Treloar's students and other beneficiaries as they transition from education. Transition has long been a feature of Treloar's provision. Proposals contained within the strategy will expand this support.

Building on these successes our plans for 2018/19 and beyond are to:

- Maintain the School and Colleges reputation as an outstanding provider
- Grow the reach of the School and College by broadening the curriculum to appeal to a wider group of students and increase the boarding options
- Increase the support to our students and other young learners as they leave formal education
- Invest in strategies to attract, develop and retain skilled staff
- Increase the scale and reach of our fundraising activities
- Act as a leader in our field, developing best practice and enabling technologies, sharing our knowledge, partnering with local authorities and contributing to debate about supporting young people with physical disability
- Complete work on a 10 year strategy that has at its heart the desire to support more beneficiaries especially in the period immediately following College.

FINANCIAL REVIEW

2017/18 saw the Trust generate net income of £282k (2017: net expenditure £95k), before actuarial losses of £80k, (2017: £1,385k gain) on a turnover of £22.54m (2017: £20.80m). The improvement was attributable in large part to significant increase in donations and legacies which rose by £1m.

Total student numbers (excluding Nursery) declined slightly finishing the year at 164, with the College, up 3 at 86 and the School numbers 6 lower at 78. In spite of this 2% decline in numbers, charitable activity income grew by 3.2% to £19.68m largely reflecting a growth in the medical complexity of students. Donations and legacies, at £2.13m (2017: £1.14m) rose due to the receipt of a large legacy where the income is intended to help students in need of financial assistance access education. Other fundraising activities also grew by 16% to £332k reflecting the success of some of Treloar's fundraising events.

Expenditures rose by 5.2% to £22.44m as staffing (permanent, casual and agency) grew to support student need and to maintain high standards.

There was small actuarial loss on the Defined Benefit Pension Scheme of £0.08m (2017: £1.39m gain). The small loss reflected a negative performance by assets which in part reflected the hedge against liability movement that also declined, compounded by corrections in the calculation of future obligations. The restrictions on the use of the legacy above meant that it is accounted for as a permanent endowment and total endowments are now £1.5m (2017: £0.5m). The Trust's restricted funds remained at £9.3m (2017: £9.3m) and unrestricted funds reduced to £17.5m (2017: £18.3m).

Other balance sheet and cash flow highlights included an increase in both debtors and creditors falling due within one year reflecting greater invoicing for the September term ahead of the 31st August year end and an increase in cash and term deposits to of £4.07m (2017: £3.54m).

GROUP STRUCTURE

The Trust has only one subsidiary, Treloar Enterprises Limited (TEL). The subsidiary, which is wholly owned, carries out non-charitable activities for the benefit of the Trust through the lettings of facilities from, and the raising of awareness of, the Trust. During the year to 31 August 2018, TEL made an operating profit of £31k (2017: £23k), which, after deductions of directly attributable costs, was donated to the Trust.

The Trust has taken exemption from the production of consolidated financial statements because the figures for the group (incorporating TEL) would not be materially different to those of the Trust as a single entity and has included in the notes to these financial statements the results of TEL. The financial statements on the following pages therefore show the assets and operations of the Trust itself rather than the group as a whole.

RESERVES

General reserves available for use by the Trust are deemed to be those that are readily realisable, less funds whose use is restricted or designated for particular purposes. Thus the calculation of general reserves excludes property and other fixed assets that continue to be used in the day-to-day operation of the Trust and in particular the buildings used by the School and College.

The Trustees regularly review the value of the reserves required to be held in investments and cash and cash equivalents not restricted to or designated for any particular purpose. Ideally the Trustees believe that a general reserve of 4 to 6 months expenditure is needed to provide adequate working capital, to create a buffer in case of a sudden reduction in student numbers and to allow for fluctuations in investment returns. At 31 August 2018 the General Reserve was £9.03m (2017: £9.12m), equivalent to 4.8 months expenditure. The Trustees consider this level of general reserves to be adequate at this time.

The property and equipment fund represents the net book value of tangible fixed assets, which have been purchased with unrestricted funds. This reserve is locked into the value of the estate and can be released only if all or part of the estate is sold. The value of the fund decreased slightly during the year to £16.1m (2017: £16.6m). Restricted and Endowed Funds £10.78m (2017: £9.84m) represent monies received for a restricted purpose. The vast majority of this fund relates to specific building appeals (£8.44m) and to the Rossington (£0.94m) and Billesden (£0.54m) funds given to help students access education and to help monitor alumni progress. The historic defined benefit pension scheme fund deficit relates to the excess of liabilities over assets in the defined benefit scheme. In the year total future obligations fell by £2.02m to £38.08m and the net deficit rose by £120k to £7.96m.



KEY POLICIES

RISK MANAGEMENT

The Trust's risk management policy is based around a hierarchy of an overarching risk management schedule which contains all of the key risks that the organisation is, or potentially could be, exposed to, linked with the relevant mitigating actions, together with a practical risk assessment process and the operational tasks that emanate from it. Responsibility for each area rests with an appropriate member of the Leadership team overseen by a Risk and Compliance Sub-Committee of the Trust Board, which regularly reviews the status of each risk and the effectiveness of the management controls. At the highest level, the Trustees receive termly reports in the form of an updated risk management schedule that demonstrates that the appropriate actions have been or are being implemented.

Given the challenging regulatory, economic and social environment within which Treloar School, Treloar College and Fundraising operate, risk management is an essential element of the Trust's management system. The risk management schedule is an organic document constantly modified to reflect changes in government policy and the regulatory framework, the ability to recruit students and the Trust's overall performance.

The key risks that currently face Treloar's and principal mitigating strategies are:

- Inability to recruit students which we manage by close liaison with local authorities to ensure the relevance and value of our offer, by maintaining the quality of our educational provision and by focused marketing initiatives.
- Inability to recruit, develop and retain sufficient skilled staff is managed by innovative approaches to recruitment, offering a high level of training and development opportunities and by actively listening to our staff and, where necessary, providing support and/or flexible working patterns.
- Nursing/medical error which we manage by maintaining a highly specialised nursing team, strict protocols over medication management and close monitoring of performance indicators.
- Safeguarding failure or adverse regulator opinion. The Trust keeps quality at the forefront of its strategy. The safeguarding risk is managed through recruitment policies, training, risk assessment, operating policy, incident reporting and a dedicated manager.
- Weak fundraising prevents the Charity investing in value adding facilities and opportunities and this risk is managed by generating different types of fundraising and the steerage of a dedicated Trust committee.
- Pension fund deficit requires additional support from the Trust. The Trust uses professional advisers to ensure that investment strategy is designed to deliver required returns and hedge liabilities.

EQUAL OPPORTUNITIES

Respecting diversity is one of Treloar's key values and we are committed to being an inclusive organisation where diversity is welcomed and valued. Recognised as a Leader in Diversity by the National Centre for Diversity, Treloar's equality and diversity was ranked as 7th overall amongst all organisations nationally.

Treloar's strives to create a culture where people treat each other with mutual respect regardless of age, disability, gender, marital or civil partnership status, pregnancy and maternity, gender reassignment, race, religion and belief or sexual orientation.

Initiatives are headed by a dedicated equality and diversity coordinator reporting directly to the Quality and Performance sub-committee of the Governing Body.

COMMUNICATING WITH STAFF AND VOLUNTEERS

Internal communication is a key driver of engagement and feedback at Treloar's. This communication includes: a weekly update to which all staff are invited, fortnightly communication of key matters from the leadership via the Trust's intranet, a "Staff news publication", a monthly Chief Executive's report and an annual briefing on current strategy from the Chief Executive. All teams have staff meetings, there is a Staff Consultation Group, a Staff Voices Conference and staff and volunteer questionnaires are all used to ensure that communication is genuinely two-way.





WARNING

WHEN USING
WEIGHT MACHINE
ENSURE WEIGHT STACK
CLEAR OF OTHER EQUIPMENT

WARNING

DO NOT drop weights.
Please check after use
that no damage



53 lbs
MyWeigh

GOVERNANCE

The Charity is governed by its Memorandum and Articles of Association adopted in June 2002 and amended in July 2010 and August 2012. The Board of Trustees is responsible for the overall governance of the Charity and meets as a board at least three times a year. In addition there are four Trustee committees covering Finance, Investment and Audit; Risk and Compliance; Fundraising; and Nominations and Remuneration. These committees all meet a minimum of three times a year. The charity follows the recommended practice laid out in the Charity Governance Code.

The pay and contractual terms of senior executives is set by the Nominations and Remunerations Committee of the Trustees with reference to market conditions.

The key aspects of overseeing the School and College are delegated to the Governing Body, which is a sub-committee of the Board of Trustees. The Chairman of the Governing Body and at least three other members of the Governing Body are Trustees, whilst the majority of Governors are independent (i.e. not otherwise a direct stakeholder in the School or College) and have a wide range of relevant professional and management backgrounds. The Governing Body meets at least four times a year.

TRUSTEE SELECTION, INDUCTION AND APPRAISAL

The Board of Trustees reviews regularly the composition of itself, the Governing Body and its various sub-committees through the Nominations and Remuneration Committee. The Trustees look at the blend of experience and skills of all Governors and Trustees to ensure that these meet the needs of the Charity. Where vacancies arise, a recruitment process is undertaken. This involves advertising both locally and nationally as well as more informal approaches to individuals who have the relevant skills and experience. Selection is made after a rigorous process including visits to the Charity and interviews by senior staff as well as Trustees and Governors.

All new Governors are invited to attend the standard staff induction days held at the start of each term. Governors are expected to visit the School and College regularly outside the normal meetings of the Governing Body and to undertake training on a continuing basis on subjects relevant to the operations of the School and College.

The Trustees and Governors undertake skill audits, self-evaluations and appraisals on a regular basis. This enables the Trust to either provide training to fill gaps in knowledge or to target recruitment on the necessary skills and experience and to ensure all Trustees and Governors are able to satisfy themselves of their own performance.





STATEMENT OF TRUSTEES' RESPONSIBILITIES AND CORPORATE GOVERNANCE

The Trustees are responsible for preparing the Strategic Report, the Annual Report and the Financial Statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of those resources, including the income and expenditure, of the Charity for that period.

In preparing these statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent; and
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and 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.

Financial statements are published on the Charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Charity's website is the responsibility of the Trustees. The Trustee's responsibility also extends to the ongoing integrity of the financial statements contained therein.

CORPORATE GOVERNANCE

The Trustees have overall responsibility for ensuring that the Charity has appropriate systems and controls, financial and otherwise to provide assurance that:

- The Charity is operating efficiently and effectively;
- All assets are safeguarded against unauthorised use or disposition and are properly applied;
- Proper records are maintained and financial information used within the Charity, or for publication, is reliable; and
- The Charity complies with relevant laws and regulations.

In so far as the Trustees are aware:

There is no relevant audit information of which the Charity's auditors are unaware; and the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Internal controls over all forms of commitment and expenditure continue to be refined to improve efficiency. Processes are in place to ensure that performance is monitored and appropriate management information is prepared and reviewed regularly by both the executive management and the Trustees. The systems of internal controls are designed to provide reasonable but not absolute assurance against material mis-statement or loss. They include:

- Strategic plans and annual budgets approved by the Trustees;
- Regular consideration by the Trustees of financial results, variances from budgets, non-financial performance indicators and benchmarking reviews;
- Delegation of day-to-day management authority and segregation of duties; and
- Identification and management of risks.

All major decisions are reserved to the Trustees and include appointment and renumeration of key management. Executive remuneration is set in consideration of the nature of the role, its responsibilities and market salaries. The Trustees and Governors all give of their time freely.



FUNDRAISING STATEMENT

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. The legislation defines fundraising as “soliciting or otherwise procuring money or other property for charitable purposes”. Such amounts receivable are presented in our financial statements as “donations and legacies” and as “Other fundraising activities” which includes income from our lottery and events. The day to day management of all income generation is delegated to the executive team, who are accountable to the Trustees.

The charity is not bound by any regulatory scheme. However the charity has voluntarily registered with the Fundraising Regulator and complies with the regulator's codes of practice. We have received 12 complaints in the year in relation to fundraising activities all of which have been resolved and reported to the regulatory body. Our terms of employment require staff to behave reasonably at all times.

INVESTMENT POWERS, POLICY AND PERFORMANCE

The Articles of Association of the Charity state that it has the power “to deposit or invest funds in any manner as the Trustees shall in their absolute discretion think fit to the intent that the Trustees shall have the same full and unrestricted powers of investing and transposing investments in all respects as if they were beneficially absolute owners...”.

The current investment manager, Ruffer LLP, adopts a total return basis to investment policy whereby both income generation and capital growth are included in calculating the return. Ruffer LLP is targeted to provide a return of RPI plus 4% after fees have been taken into account. In 2017/18 actual returns were below target. The emphasis however is on capital preservation with special focus on “absolute” (rather than “relative”) levels of total returns.

The Defined Benefit Pension Fund investments are held totally separate from the Trust assets and investments. The funds are managed by professional fund managers appointed by the Independent Pension Scheme Trustee, Link Group. Link consults in depth with the Trust before appointing investment managers and when determining the asset allocation policies to be followed.

The Trustees receive quarterly reports on the performance of its funds and the Investment Sub-Committee meets the investment manager twice a year to monitor their performance with the help of external professionals.

The Annual Report and Accounts, incorporating the Strategic Report, were approved by the Trustees in their capacity as Directors of the Company on 25 February 2019 and signed on their behalf.



Alistair Mackintosh



INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF TRELOAR TRUST

Opinion

We have audited the financial statements of Treloar Trust ("the Charitable Company") for the year ended 31 August 2018 which comprise the Statement of Financial Activities, the balance sheet, the cash flow statement and 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 2018 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charitable Company in accordance with the ethical requirements 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 related to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charitable Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the Report and Accounts, other than the financial statements and our auditor's report thereon. The other information comprises: the annual review and the Strategic Report (incorporating the Directors' Report). The Trustees are responsible for the other information.

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.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' Report, which are included in the Trustees' report, have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatement in the Strategic report or the Trustee's 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 Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

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

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under the Companies Act 2006 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.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charitable Company's members those matters we are required to state to them in an 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.

James Aston (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
Gatwick, West Sussex

Date 28 February 2019

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

STATEMENT OF FINANCIAL ACTIVITIES (including the Income and Expenditure Account)

Year ended 31 August 2018

					2018				RESTATED 2017
	Note	Unrestricted	Restricted	Endowed	Total	Unrestricted	Restricted	Endowed	Total
		£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Income from:									
Donations and legacies	2	558	635	935	2,128	390	745	-	1,135
Charitable activities									
Teaching		7,062	-	-	7,062	7,522	-	-	7,522
Medical		4,494	-	-	4,494	4,007	-	-	4,007
Care		8,122	-	-	8,122	7,532	-	-	7,532
Total income from charitable activities		19,678	-	-	19,678	19,061	-	-	19,061
Income from other trading activities									
Other fundraising activities		246	86	-	332	285	-	-	285
Rent	3	294	-	-	294	213	-	-	213
Total income from other trading activities		540	86	-	626	498	-	-	498
Investment income	4	102	5	-	107	97	5	-	102
Total income		20,878	726	935	22,539	20,046	750	-	20,796
Expenditure on:									
Raising funds		1,019	5	-	1,024	858	4	-	862
Charitable activities									
Teaching		7,275	337	-	7,612	6,758	377	-	7,135
Medical		4,328	233	-	4,561	4,099	175	-	4,274
Care		9,093	146	-	9,239	8,972	85	-	9,057
Total expenditure on charitable activities		20,696	716	-	21,412	19,829	637	-	20,466
Total expenditure	5	21,715	721	-	22,436	20,687	641	-	21,328
Net gains on investments	7	170	-	9	179	421	-	16	437
Net income/(expenditure)		(667)	5	944	282	(220)	109	16	(95)
Transfers between funds									
Actuarial gain/(loss) on defined benefit scheme	15	(80)	-	-	(80)	1,385	-	-	1,385
Net movement in funds		(747)	5	944	202	1,165	109	16	1,290
Total funds brought forward		18,298	9,310	525	28,133	17,133	9,201	509	26,843
TOTAL FUNDS CARRIED FORWARD		17,551	9,315	1,469	28,335	18,298	9,310	525	28,133

There are no gains or losses other than those shown in the Statement of Financial Activities above. All operations were classed as continuing. The notes on pages 33 to 46 form part of these financial statements.

BALANCE SHEET AS AT 31 AUGUST 2018

	Note	2018		2017	
		£000s	£000s	£000s	£000s
Fixed assets					RESTATED
Tangible fixed assets	8		24,955		25,418
Investments	9		7,391		7,705
Total fixed assets			32,346		33,123
Current assets					
Stock	9		8		
Debtors	10	6,641		3,824	
Investments	9	1,653		244	
Cash at bank and in hand		2,420		3,300	
Total current assets		10,723		7,376	
Liabilities					
Creditors: Amounts falling due within one year	11	(6,536)		(4,246)	
Net current assets		4,187		3,130	
Total assets less current liabilities		36,533		36,253	
Provision for liabilities and charges	12		(243)		(283)
Net assets excluding pension scheme liability		36,290		35,970	
Defined benefit pension scheme liability	15		(7,955)		(7,837)
NET ASSETS			28,335		28,133
The funds of the charity					
Restricted Funds	14		9,315		9,310
Endowed Funds	14		1,469		525
Unrestricted funds					
Unrestricted funds held as tangible fixed assets	16	16,083		16,619	
Designated funds	16	396		396	
General reserves	16	9,027		9,120	
Defined benefit pension scheme fund	15	(7,955)		(7,837)	
Total unrestricted funds	16	17,551		18,298	
TOTAL FUNDS			28,335		28,133

Approved by the Board of Trustees on 25th February 2019 and signed on its behalf by

Alistair Mackintosh
Trustee

Michael Chadwick
Trustee

Treloar Trust, Company registration number: 4466362

The notes on pages 33 to 46 form part of these financial statements

CASH FLOW STATEMENT

Year ended 31 August 2018

	2018	2017
	£000s	£000s
Reconciliation of net expenditure to net cash flow from operating activities		
Net (expenditure)/income for the reporting period (as per the statement of financial activities)	282	(95)
Adjustments for:		
Depreciation charges	1,130	1,197
Net profit on sale of Fixed assets	-	(43)
Net gains on investments (including investment property)	(179)	(437)
Investment income shown in investing activities	(76)	(102)
(Increase) in stock	(1)	-
Decrease/(increase) in debtors	(2,817)	(2,213)
(Decrease)/increase in creditors	2,290	2,253
Decrease in provisions for liabilities and charges	(40)	(93)
Net charges for defined benefit pension scheme	38	(130)
Net cash provided by operating activities	627	337
Statement of cash flows		
Cash flows from operating activities		
Net cash provided by operating activities	627	337
Cash flows from investing activities		
Investment income	76	102
Payments for investment properties	-	(25)
Proceeds of sale of tangible fixed assets	-	115
Purchase of tangible fixed assets	(669)	(600)
Proceeds of sale of investments (including investment property)	4,246	2,221
Purchase of investments	(3,595)	(2,310)
Net cash used in investing activities	58	(497)
Change in cash and cash equivalents in the reporting period	685	(160)
Cash and cash equivalents at the beginning of the reporting period	3,672	3,832
Cash and cash equivalents at the end of the reporting period	4,357	3,672

Analysis of cash and cash equivalents

Cash at bank and in hand	2,420	3,300
Current asset investments	1,653	244
Cash equivalents held in fixed asset investments	284	128
	4,357	3,672

The notes on pages 33 to 46 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2018

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Scope and basis of the financial statements

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments at market value and investment properties as stated in note 9, and are in accordance with the Statement of Recommended Practice: Accounting and reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (the 'SORP'), FRS 102: The Financial Reporting Standard applicable in the UK and Ireland ('FRS 102'), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2016.

The financial statements have been prepared on a going concern basis. The Trustees consider that the Charity is able to continue to operate as a going concern and thus it is appropriate to prepare the financial statements on a going concern basis.

Treloar Trust constitutes a public benefit entity as defined by FRS102. The Trustees confirm that they have complied with the requirements and duty in Section 17 of the Charities Act 2011 to have regard to the Charity Commission's general guidance on public benefit; Charities and Public benefit, and that the activities of the Charity, particularly in the areas of education and disability services, are for the public benefit.

The preparation of the financial statements in accordance with FRS102 requires the trustees to make judgements, estimates and assumptions that affect the application of policies and reported amounts in the financial statements. The areas where assumptions or estimates were significant to the financial statements are disclosed in note 22.

b) Prior Period Adjustment

At the year end it was established that the Billesden Fund, which had been previously disclosed as a Restricted Fund, should in fact be an Endowment Fund. This has been rectified at 31 August 2018 and this can be seen throughout the financial statements without affecting the overall results and net asset position of the Trust.

c) Exemption from consolidation

Consolidated financial statements have not been prepared because the figures for the group, incorporating Treloar Enterprises Limited, the Trust's only subsidiary, would not be materially different to those of the Trust as a single entity. The Trustees have included in the notes to these accounts the results of Treloar Enterprises Limited for its accounting year to 31 August 2018. The accounts therefore show the assets and operations of the Trust itself rather than the group as a whole.

d) Fee income

All incoming resources are accounted for in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Where income is received in advance of providing services, it is deferred until the Trust becomes entitled to that income.

Fee income from charitable activities is split between teaching, medical and care based on breakdowns of each area provided to purchasers.

e) Fundraising income

i) Donations are recognised when received or when the organisation is entitled to the income and receipt is probable and measurable. Where income tax is reclaimable such income is included at the gross amount.
ii) Legacies are recognised when received or when the legacy has become accurately quantifiable and has been notified to the Trust as receivable.
iii) Gifts in kind (representing donations of equipment or vehicles) in excess of £250 are treated as income. The value of such donations is the fair value of the gift, usually the cost to the donor.

f) Investment income

Investment income is credited to the Statement of Financial Activities on an accruals basis and is inclusive of the income tax recoverable, where applicable.

g) Rental income

Rental income is accounted for in the period for which the rent has been charged.

h) Expenditure

Revenue and capital expenditure is recognised on an accruals basis inclusive of irrecoverable VAT, where applicable. The Trust directly attributes expenditure in so far as is possible between teaching, medical and care.

Support costs are those which provide indirect support to the Trust and School and College e.g. finance, human resources, facilities, governance costs and IT. Support costs not attributable to a single activity like these have been allocated on a basis consistent with identified cost drivers for that cost category such as staff numbers.

i) Tangible fixed assets

The cost of tangible fixed assets includes those costs which are directly attributable to purchasing the assets and bringing them into working condition. The Trust does not capitalise interest as part of the cost of tangible fixed assets. The Trust capitalises refurbishment costs and any associated capital expenditure where such work extends the economic useful life of the building or provides new facilities. Normal repairs and maintenance costs are expensed as incurred.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2018

1. ACCOUNTING POLICIES (Continued)

Depreciation is provided at the following rates to write off the cost of the Trust's fixed assets over their estimated useful economic lives:

Fixed buildings for use by School and College

Buildings are depreciated on a straight-line basis over forty years from date of first use.

Transport and motor vehicles

Transport and motor vehicles are depreciated on a straight-line basis between four and seven years from date of acquisition.

Furniture, fixtures and equipment

Furniture, fixtures and equipment are depreciated on a straight-line basis between three and ten years from date of acquisition.

Computer equipment

Computers and other IT equipment are depreciated on a straight-line basis between two and four years from date of acquisition.

The Trust's capitalisation policy is to capitalise on the balance sheet only capital assets with a cost in excess of £5,000.

j) Investment assets

Freehold investment property

Freehold investment property is reflected at market value where this is deemed materially different from cost.

Listed investments

Listed investments are reflected at market value at the balance sheet date.

Unlisted investments

Unlisted investments are reflected in the balance sheet at cost less provision for any permanent diminution in value or impairment.

Both realised and unrealised profits and losses on investments are reflected in the Statement of Financial Activities.

k) Stocks

Stocks are stated at the lower of cost and net realisable value. Allowance is therefore made for damaged and obsolete goods.

l) Pensions

The Trust operates Defined Contribution Pension Schemes for which contributions are charged to the Statement of Financial Activities as they are incurred.

The Trust also contributes to the Teachers Pension Scheme (England and Wales) at rates set by the Scheme Actuary and advised to the Board by the Scheme Administrator. The scheme is a multi employer scheme and as such it is not possible to identify the assets and liabilities which are attributable to the Trust. Therefore, in accordance with FRS 102, the scheme is accounted for as a defined contribution scheme.

The Trust also operates a Defined Benefit Pension Scheme, which was closed to future service accrual on 31 December 2007. The contributions are paid at rates agreed with the Scheme Actuary and, together with actuarial gains and losses, are charged to the Statement of Financial Activities.

m) Reserve funds

The policy of the Trustees is to maintain in a designated fund such sums as they deem prudent for the future refurbishment and development of those assets used for the primary purpose of the Trust.

The Trustees have also established a general reserve to provide working capital to create a buffer in case there is a sudden reduction in student numbers and to allow for fluctuations in investment returns. The Trustees' policy is to seek to retain a buffer equal to four to six months of normal operating expenditure.

The Trustees have also established a Property and Equipment Fund for assets tied up in the campus at Holybourne and thus not readily realisable.

A pension reserve is included within unrestricted funds to reflect the pension deficit on the Defined Benefit Pension Scheme.

Restricted funds are donated for a particular purpose the use of which is restricted to that purpose. Endowment funds are held as capital funds from which the income generated may be spent on the specific purposes provided upon the creation of the endowed fund.

n) Cash and cash equivalents

The policy for the management of cash and cash equivalents is defined by the financial commitments of the Trust. The Trust aims to keep funds on deposit until such time as they are needed to pay for designated projects, as highlighted within the notes to the accounts. Cash balances with a maturity of three months or less are considered as cash equivalents.

o) Provisions

A provision is made in the accounts where the Trust has a legal or constructive financial obligation, that can be reliably estimated and for which there is an expectation that payment will be made.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2018

1. ACCOUNTING POLICIES (Continued)

p) Financial instruments

The Trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments, including trade debtors, prepayments, creditors and provisions are initially recognised at transaction value and subsequently measured at their settlement value.

2. DONATIONS AND LEGACIES

	2018			2017		
	Income	Direct Expenditure	Support Costs	Income	Direct Expenditure	Support Costs
	£000s	£000s	£000s	£000s	£000s	£000s
Gifts and legacies						
Unrestricted	558			390		
Restricted	635			745		
Endowed	935			-		
Total	2,128	456	78	1,135	376	94
Events	166	97	18	122	89	22
Lottery	166	158	21	163	103	25
Marketing	-	101	12	-	63	15
Total	2,460	812	129	1,420	631	156

3. RENT

	2018		2017	
			£000s	£000s
	Lettings income	Estate rents and wayleaves		
			148	134
			146	79
			294	213

All items relate to unrestricted activities.

4. INVESTMENT INCOME

	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	Funds	Funds	2018	Funds	Funds	2017
	£000s	£000s	£000s	£000s	£000s	£000s
Income from trading subsidiary	31	-	31	23	-	23
Income from listed investments	52	5	57	62	5	67
Interest on fixed term deposits	12	-	12	4	-	4
Interest receivable	7	-	7	8	-	8
Total Investment Income	102	5	107	97	5	102

5. EXPENDITURE

	Direct				Direct			
	Staff	Other	Support	Total	Staff	Other	Support	Total
	Costs	Costs	Costs	2018	Costs	Costs	Costs	2017
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Raising funds	479	416	129	1,024	378	313	171	862
Charitable activities								
Teaching	5,090	444	2,078	7,612	4,576	409	2,150	7,135
Medical	3,287	190	1,084	4,561	3,040	198	1,036	4,274
Care	5,473	179	3,587	9,239	5,774	203	3,080	9,057
Total charitable activities	13,850	813	6,749	21,412	13,390	810	6,266	20,466
Total Expenditure	14,329	1,229	6,878	22,436	13,768	1,123	6,437	21,328

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2018

5. EXPENDITURE (Continued)

The support costs can be analysed as follows:

	2018					2017				
	Raising Funds	Teaching	Medical	Care	Total	Raising Funds	Teaching	Medical	Care	Total
	£000s	£000s	£000s	£000s	£000s		£000s	£000s	£000s	£000s
Facilities	44	715	373	1,233	2,365	61	761	367	1,090	2,279
Depreciation	21	341	178	590	1,130	32	400	193	573	1,198
Finance and Payroll	7	109	57	188	361	8	98	47	141	294
HR and Training	15	242	127	418	802	19	234	113	337	703
IT	11	181	94	312	598	15	190	91	272	568
Transport	4	64	33	109	210	5	70	33	99	207
Governance	15	238	124	412	789	19	246	120	353	738
Misc	12	188	98	325	623	12	151	72	215	450
	129	2,078	1,084	3,587	6,878	171	2,150	1,036	3,080	6,437

All support costs are divided between the four main headings using the full time equivalent staff numbers employed within those four sections each year.

Included in the above figure is insurance at a cost of £4,950 (2017: £5,320) which was taken out over the year to cover Trustees, Governors and Officers of the Trust against legal liability arising from acts of neglect, error or omission.

Total auditor's remuneration is made up as follows:

	2018		2017	
	£000s	£000s	£000s	£000s
Audit (for the Trust, School and College)		30		22
Other services		7		2
Taxation		-		3
		37		27

6. STAFF COSTS AND TRUSTEE EXPENSES

Total staff costs for the year were as follows:

	2018		2017	
	£000s	£000s	£000s	£000s
Wages and salaries		14,967		14,333
Termination payments		39		-
Employer's NIC		1,090		1,028
Employer's pension costs		1,483		1,224
		17,579		16,585

Not included in the above are benefits in kind amounting to £9,665 (2017: £6,783), which were received by staff during the year. Termination payments are in the form of redundancy payments made on the reorganisation of two departments during the year.

	2018		2017	
	£000s	£000s	£000s	£000s
Employer's pension costs comprise the following:				
Teachers pension scheme (Note 15)		234		226
Employer contribution to Treloar's group personal pension scheme (Note 15)		671		588
Defined benefit pension scheme				
Expected interest cost less expected return (Note 15)		578		410
		1,483		1,224

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2018

6. STAFF COSTS AND TRUSTEE EXPENSES (Continued)

The average number of paid persons employed by the Trust during the year was as follows:

	Full Time Equivalents	
	2018	2017
Teaching	174	164
Medical	81	79
Care (inc catering)	272	235
Facilities and ancillary	86	105
Fundraising	11	10
Marketing	1	3
Outreach projects	1	1
Total FTE	626	597
 Total average employees by headcount	 825	 780

The following numbers of staff received remuneration in excess of £60,000 in the year:

	2018	2017
£60,001 to £70,000	1	1
£70,001 to £80,000	-	1
£80,001 to £90,000	1	-
£100,001 to £110,000	1	1
£110,001 to £120,000	1	1

The total amount of employee benefits received by key management personnel for their services during the year is £373,450 (2017: £371,020). Key management is deemed to be the CEO, Principal and FD.

The Trustees received no remuneration for their services as Trustees during the period (2017: Nil). One Trustee was reimbursed £121 during the period for travel and other costs incurred in connection with the work of the charity (2017: one trustee - £233).

Four of the above members of staff accrued benefits under the Treloar's group personal pension scheme and £41,965 (2017: three - £39,246) was paid by the Trust to the scheme in respect of these members.

7. GAINS AND LOSSES ON INVESTMENTS

	RESTATED							
	Unrestricted	Restricted	Endowed	Total	Unrestricted	Restricted	Endowed	Total
	Funds	Funds	Funds	2018	Funds	Funds	Funds	2017
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Listed Investments	465	-	9	474	107	-	16	123
Investment Property	56	-	-	56	-	-	-	-
Unrealised gains on investment property	32	-	-	32	275	-	-	275
Unrealised gain/(loss) on listed investments	(383)	-	-	(383)	39	-	-	39
	170	-	9	179	421	-	16	437

8. TANGIBLE FIXED ASSETS

	Opening				Closing	
	Balance	Additions	Disposals	Balance		
	£000s	£000s	£000s	£000s		
Cost						
Freehold land and buildings	34,248	145	-	34,393		
Plant, machinery and motor vehicles	3,374	523	(106)	3,791		
	37,622	668	(106)	38,184		

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2018

8. TANGIBLE FIXED ASSETS (Continued)

	Opening	Charge for		Closing
	Balance	Year	Disposals	Balance
	£000s	£000s	£000s	£000s
Depreciation				
Freehold land and buildings	(9,533)	(846)	-	(10,379)
Plant, machinery and motor vehicles	(2,671)	(285)	106	(2,850)
	(12,204)	(1,131)	106	(13,229)

	Opening	Additions		Closing
	Balance	less charges	Disposals	Balance
	£000s	£000s	£000s	£000s
Net Book Value				
Freehold land and buildings	24,715	(701)	-	24,014
Plant, machinery and motor vehicles	703	238	-	941
	25,418	(463)	-	24,955

9. INVESTMENTS

	Total	Total
	2018	2017
	£000s	£000s
Fixed asset investments		
Listed investments - UK	2,454	2,569
Listed investments - non-UK	4,085	4,047
Investment properties	524	917
Subsidiaries and associated undertakings	25	25
Unlisted investments	19	19
Bank deposits	284	128
	7,391	7,705

	Total	Total
	2018	2017
	£000s	£000s
Current asset investments		
UK Investments - Deposits	1,653	244

	Total	Total
	2018	2017
	£000s	£000s
Listed investments		
Market value of assets as at 1 September	6,616	6,363
Additions	3,595	2,310
Disposal proceeds	(3,761)	(2,219)
Net unrealised investment (losses)/gains	(383)	39
Net realised investment gains	473	123
Market value of assets as at 31 August	6,540	6,616
Historical cost as at 31 August	6,140	5,833

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2018

9. INVESTMENTS (Continued)

	Total	Total
	2018	2017
	£000s	£000s
Investment Properties (all UK)		
Valuation at 1 September	917	617
(Disposals)/Additions	(425)	25
Revaluation	32	275
Valuation at 31 August	524	917
Historical cost as at 31 August	126	126

The Trustees have revalued Howards Farm at £410,850, based on the long term yield value of the property.

The Trustees have revalued The Vale, Shirley at £113,000, based on the yield value of the property.

All valuations will be continuously monitored to ensure material market valuations are reflected in the balance sheet.

	Total	Total
	2018	2017
	£000s	£000s
Unlisted investments		
Cost and valuation at 31 August	19	19

The Trustees consider that the market value of the above investments is not significantly different from their cost.

Trading Subsidiary

The Trust owns all the issued share capital of Treloar Enterprises Limited which shares its Registered Office with the Trust. Its principal activities are the letting of facilities and the retail presence of the Trust both physically and on line.

The trading subsidiary gift aids its profit to the Trust. Its trading results for the year ended 31st August were:

	2018	2017
	£000s	£000s
Turnover	195	177
Cost of sales	(149)	(149)
Gross profit	46	28
Administration expenses	(15)	(5)
Profit on ordinary activities before taxation and interest	31	23
Taxation	-	-
Profit on ordinary activities after taxation	31	23
Gift aided payment - qualifying charitable donation	(31)	(23)
Retained profit for the year	-	-
Retained profit brought forward	3	3
Retained profit carried forward	3	3
Net assets (all equity interests)	28	28

10. DEBTORS

	2018	2017
	£000s	£000s
Fees billed in advance	5,154	2,643
Trade debtors	600	693
Other debtors	603	274
Prepayments	284	214
	6,641	3,824

All amounts shown under debtors are due for payment within one year.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2018

11. CREDITORS: Amounts falling due within one year

	2018	2017
	£000s	£000s
Trade creditors	424	199
Income in advance	5,295	3,268
Taxes & social security costs	355	330
Other creditors	54	47
Accruals	315	364
Amounts due to group undertaking	93	38
	6,536	4,246

12. PROVISIONS

	Fees	Other	Total
	£000's	£000's	£000's
At 1 September 2017	124	159	283
Payments during the year	-	(3)	(3)
Increases/(Decreases) in provision	(32)	(5)	(37)
At 31 August 2018	92	151	243
Amounts are expected to be incurred - within one year	92	151	243

The fee provision reflects refunds due where services provided are below initial agreements. Other provisions include trade debtors, provision for untaken holiday, sickness provision and for employment disputes.

13. RESTRICTED AND ENDOWED FUNDS

	RESTATED					
	Balance		Movement in Resources		Transfers	
	31-Aug-17	Incoming	Outgoing	In/(out)	Investments	
	£000's	£000's	£000's	£000's	£000's	£000's
Endowed funds						
Billesden Fund	525	-	-	-	9	534
Rossington Bursary Fund	-	935	-	-	-	935
Total Endowed funds	525	935	-	-	9	1,469
Specific appeals fund						
Specific equipment appeals	187	-	(60)	304	-	431
Specific building appeals	8,614	-	(274)	103	-	8,443
Total specific appeals fund	8,801	-	(334)	407	-	8,874
Other restricted funds						
Billesden fund	14	21	(15)	-	-	20
Campbell sports fund	13	24	(8)	-	-	29
IMPact	37	9	(17)	-	-	29
Assistive technology	-	107	(107)	-	-	-
Transition	1	75	(75)	-	-	1
Motor Vehicles	279	126	-	(304)	-	101
Pushing the boundaries	10	33	(19)	-	-	24
Dietitian	-	52	(52)	-	-	-
Artist in Residence/Artsweek	5	3	(3)	-	-	5
Music therapy	10	2	(12)	-	-	-
Independent living	-	15	(15)	-	-	-
AAC, AT, Physio and other Equipment	68	35	(39)	-	-	64

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2018

13. RESTRICTED AND ENDOWED FUNDS (Continued)

	RESTATED	Balance	Movement in	Resources	Transfers	Gains on	Balance
	31-Aug-17	Incoming	Outgoing	In/(out)	Investments	31-Aug-18	
	£000's	£000's	£000's	£000's	£000's	£000's	
Outdoor learning	9	53	-	(38)	-	-	24
BELONG	21	-	(5)	-	-	-	16
Rebound therapy room	-	51	(1)	(40)	-	-	10
Vision Sports	-	20	-	(20)	-	-	-
Campbell Court project	-	56	-	-	-	-	56
Rossington Bursary Fund	-	1	-	-	-	-	1
Training	-	13	-	-	-	-	13
Robotic arm	-	8	-	-	-	-	8
Other	42	22	(19)	(5)	-	-	40
Total other restricted funds	509	726	(387)	(407)	-	-	441
Total restricted funds	9,310	726	(721)	-	-	-	9,315
RESTATED							
Balance		Movement in	Resources	Transfers	Gains on	Balance	
31-Aug-16		Incoming	Outgoing	In/(out)	Investments	31-Aug-17	
£000's		£000's	£000's	£000's	£000's	£000's	
Endowed funds							
Billesden Fund	509	-	-	-	-	16	525
Total Endowed funds	509	-	-	-	-	16	525
Specific appeals fund							
Specific equipment appeals	195	-	(38)	30	-	-	187
Specific building appeals	8,818	-	(270)	66	-	-	8,614
Total specific appeals fund	9,013	-	(308)	96	-	-	8,801
Other restricted funds							
Billesden fund	3	27	(16)	-	-	-	14
Campbell sports fund	23	2	(12)	-	-	-	13
IMPact	48	7	(18)	-	-	-	37
Assistive technology	-	80	(80)	-	-	-	-
Transition	1	76	(76)	-	-	-	1
Outreach services	11	-	(11)	-	-	-	-
Motor Vehicles	-	279	-	-	-	-	279
VI adviser	-	5	(5)	-	-	-	-
Pushing the boundaries	14	8	(12)	-	-	-	10
Dietitian	-	25	(25)	-	-	-	-
Artist in Residence/Artsweek	-	11	(6)	-	-	-	5
Music therapy	-	20	(10)	-	-	-	10
Independent living	-	15	(15)	-	-	-	-
AAC, AT, Physio and other Equipment	37	90	(29)	(30)	-	-	68
Outdoor learning	-	20	(1)	(10)	-	-	9
BELONG	25	5	(9)	-	-	-	21
Rebound therapy room	-	22	-	(22)	-	-	-
Vision Sports	-	20	-	(20)	-	-	-
Other	26	38	(8)	(14)	-	-	42
Total other restricted funds	188	750	(333)	(96)	-	-	509
Total restricted funds	9,201	750	(641)	-	-	-	9,310

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2018

13. RESTRICTED AND ENDOWED FUNDS (Continued)

ENDOWED FUNDS

Where donations are received and are to be invested in a fund and the use of that fund is restricted to the income generated from it, a permanent endowment is created and disclosed as such.

The Billesden Fund – was established in 1984 by the Merchant Taylors' and Skinners' Companies to provide assistance with the aftercare and vocational training of students, includes the Billesden officer post which is a research post which provides data on Treloar leavers in order to inform the priorities and direction of the transition strategy.

Rossington Bursary Fund – this was created from a legacy which states that the income from the investment of the fund shall be used to provide access to education for an 'older' age group of young disabled students who are socially disadvantaged.

RESTRICTED FUNDS

Where donations are received for particular items of expenditure, such amounts are credited to the Trust's restricted funds. If an operational area of the Trust discharges such expenditure out of its unrestricted funds, the amount is transferred out of the restricted funds to reimburse the expenditure. Other expenditure is paid directly out of the restricted funds.

Specific appeals fund – capital funds from appeals for new buildings and specific equipment including the new Vision Treloar's buildings, Brewer House hall of residence, Evans House hall of residence, minibus, Treloar's Direct assets and other special equipment.

The Billesden fund – income from the endowment above and donations from the Merchant Taylors' and Skinners' Companies is used to provide assistance with the aftercare and vocational training of students, including the Billesden officer post which is a research post which provides data on Treloar's leavers in order to inform the priorities and direction of the transition strategy.

Campbell sports fund – enables students to participate in sailing and other sporting activities.

The Independent Mobility Project (IMPact) - provides the most appropriate wheelchair for every student in need at the College and the School, to give them optimum independence.

Assistive Technology fund – supports assistive technology work carried out in the Trust.

Transition – providing support to students to prepare them for the transition from Treloar's back into the community, supporting independence and helping them realise their full potential.

Motor Vehicles - funds raised for the acquisition of new coach and minibus in 2017/18 and for new adapted vehicles in 2018/19.

Pushing the boundaries – has been established to raise funds to allow students to experience activities not normally associated as being available to people with disabilities such as abseiling and rock climbing.

Dietitian – supports the work of an on site dietitian.

Music therapy – set up in recognition of the emotional benefits and alternative communication opportunities that music can provide for young people with disabilities.

Independent living – supports the work of an on site occupational therapist to develop our students' community and life skills so they are able to live as independently as possible.

AAC, Assistive technology and physio equipment - support the equipment purchases of the speech & language therapists (alternative & augmentative communications equipment), the physiotherapists and the assistive technology engineers respectively.

Outdoor learning – enriching the outdoor areas of our campus to provide an interactive learning environment for our students.

BELONG - funds raised for the equipping of the new BELONG area.

Rebound Therapy room - funds raised for the conversion of a classroom into a rebound therapy room.

Vision Sports - funds raised retrospectively for the sports track and field.

Campbell Court project - funds raised for the capital project being completed at our Independent Adult Living project.

Rossington Income Fund - income from the endowment above to be used to provide access to education for an 'older' age group of young disabled students who are socially disadvantaged.

Training - funds raised for two specific courses to be undertaken by specialist therapists.

Robotic Arm - initial funds raised for the purchase of a robotic arm for the Assistive Technology department in 2018/19.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2018

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	2018				RESTATED 2017			
	Unrestricted	Restricted	Endowed	Total	Unrestricted	Restricted	Endowed	Total
	Funds	Funds	Funds	£000s	Funds	Funds	Funds	£000s
Tangible fixed assets	16,081	8,874	-	24,955	16,617	8,801	-	25,418
Investments	6,897	-	494	7,391	7,180	-	525	7,705
Net current assets	2,771	441	975	4,187	2,621	509	-	3,130
Total assets less current liabilities	25,749	9,315	1,469	36,533	26,418	9,310	525	36,253
Provisions	(243)	-	-	(243)	(283)	-	-	(283)
Pension scheme liability	(7,955)	-	-	(7,955)	(7,837)	-	-	(7,837)
TOTAL NET ASSETS	17,551	9,315	1,469	28,335	18,298	9,310	525	28,133

15. PENSIONS

The total pension cost charged to the Statement of Financial Activities for the Year, excluding the movement on actuarial gains and losses, for all the schemes was £1,483,795 (2017: £1,223,946).

Teachers Pension Scheme (England and Wales)

Under the definitions set out in Financial Reporting Standard 102, the Teacher's Pension Scheme (TPS) is a multi-employer pension scheme. As the TPS is underwritten by central government and the Trust has no future obligation to make contributions to the scheme, this is effectively a defined contribution scheme in so far as it affects the Trust. Contributions by the Trust during the period totalled £234,496 (2017: £226,308).

As at 31 August 2018 contributions were being made into the scheme on behalf of 42 (2017: 42) members of staff. The last actuarial valuation dated March 2016 showed that the Teachers Pension Scheme (England and Wales) is in deficit. Under current accounting regulations there is no requirement for any employer to account for its share of the deficit.

Treloar Group Personal Pension Scheme

The Trust operates a defined contribution scheme to provide retirement benefits for its employees who are not members of the Teachers Superannuation Scheme. Because the Trust makes contributions of at least 1.5% of participating salaries to the Group Personal Pension Scheme, it does not have to offer a Stakeholder Plan. Contributions by the Trust during the period totalled £671,299 (2017: £587,638). At 31 August 2018 contributions were being made into the Scheme on behalf of 649 (2017: 610) members of staff.

Treloar Defined Benefit Pension Scheme

The Trust operates the Federated Pension Scheme for Treloar Trust (the Scheme), a UK registered trust based pension scheme that provides defined benefits. Pension benefits are linked to the members' final pensionable salaries and service at their retirement (or date of leaving if earlier). The Pension Scheme Trustee is responsible for running the Scheme in accordance with the Scheme's Trust Deed and Rules, which sets out their powers. The Pension Scheme Trustee is required to act in the best interests of the beneficiaries of the Scheme. There are two categories of pension scheme members; deferred members: current and former employees of the Trust who are not yet in receipt of pension, and Pensioner members: in receipt of pension (some of whom are insured with Aviva and LV).

The Pension Scheme Trustee is required to carry out an actuarial valuation every 3 years. The actuarial valuation of the Scheme was performed by the Scheme Actuary for the Pension Scheme Trustees as at 31 March 2015. This last valuation revealed a funding shortfall of £3.6 million. In respect of the deficit in the Scheme as at 31 March 2015, the Trust has agreed to pay £540,000 pa for 8 years and 6 months from 1 April 2016. The Trust therefore expects to pay £540,000 to the Scheme during the accounting year beginning 1 September 2018.

PRINCIPAL ASSUMPTIONS

	31-Aug-18	31-Aug-17
	% pa	% pa
Discount rate	2.6	2.4
Retail Prices Index (RPI) Inflation	3.0	3.1
Consumer Prices Index (CPI) Inflation	2.0	2.1
Rate of increase to pensions in payment:		
Pre 88 GMP	0.0%	0.0%
Post 88 GMP	1.9%	1.9%
Pre 97 XS	0.0%	0.0%
97-06 pension	2.9%	3.0%
Post 06 pension	2.3%	2.3%
Revaluation of deferred pensions in excess of GMP	2.0%	3.0%

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2018

15. PENSIONS (Continued)

	31-Aug-18	31-Aug-17
	% pa	% pa
Underpin to revaluation of scale pension (including GMP)	3.0%	Previously only applied to excess pension, and so the underpin was included in the revaluation assumption above
Retirement age and application of retirement factor adjustment		Assume retire at 60 with retirement factor adjustment applied for members still in service with no adjustment and under age 60 on 1 October 2007
Post retirement mortality		S2PA CMI_2017(2016)_M/F [1.25%]
Life expectancy of male aged 60 at balance sheet date	86.6	86.7
Life expectancy of male aged 60 in 20 years from balance sheet date	88.1	88.3
Life expectancy of female aged 60 at balance sheet date	88.6	88.6
Life expectancy of female aged 60 in 20 years from balance sheet date	90.2	90.3

For the avoidance of doubt the above assumptions are in absolute terms.

Asset breakdown

The major categories of scheme assets as a percentage of total scheme assets were:

	31-Aug-18	31-Aug-17
	%	%
Newton Managed Targeted Return Fund	39.3	37.1
Standard Life Global Absolute Return Strategies	9.4	10.0
Bonds	19.3	18.7
Insurance contracts	5.5	6.5
Gilts and Cash	0.5	0.5
LDI	26.0	27.2
Total	100.0	100.0

The pension scheme has not invested in any of Treloar Trust's own financial instruments, nor in properties or other assets used by Treloar Trust.

The assets are all quoted in an active market with the exception of the insured pensions.

Net defined benefit asset (liability)

	31-Aug-18	31-Aug-17
	£000s	£000s
Fair value of Scheme assets	30,125	32,262
Present value of defined benefit obligation	(38,080)	(40,099)
Defined benefit (liability) recognised in the balance sheet	(7,955)	(7,837)

Total expense recognised in Statement of Financial Activities

	31-Aug-18	31-Aug-17
	£000s	£000s
Administration expenses	231	226
Past Service Cost	163	-
Net interest on the net defined benefit liability	184	184
Total recognised in the Statement of Financial Activities	578	410

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2018

15. PENSIONS (Continued)

Total amounts taken to Other Comprehensive Income

	31-Aug-18	31-Aug-17
	£000s	£000s
Actuarial return on scheme assets less interest	(2,097)	(778)
Remeasurement gains/(losses) - actuarial gains and (losses)	2,017	2,163
Remeasurement gain/(loss) recognised in Other Comprehensive Income	(80)	1,385

Changes in the present value of the defined benefit obligation

	31-Aug-18	31-Aug-17
	£000s	£000s
Present value of defined benefit obligation at beginning of period	40,099	42,759
Benefits paid including expenses	(1,114)	(1,339)
Past service costs	163	-
Interest cost	949	842
Remeasurement (gains) and losses - assumptions actuarial (gains) and losses	(1,953)	(2,163)
Remeasurement (gains) and losses - experience actuarial (gains) and losses	(64)	-
Present value of defined benefit obligation at end of period	38,080	40,099

Changes in the fair value of assets

	31-Aug-18	31-Aug-17
	£000s	£000s
Fair value of Scheme assets at the beginning of period	32,262	33,407
Interest income	765	658
Remeasurement (losses) and gains	(2,097)	(778)
Contributions by Employer	540	540
Administration expenses	(231)	(226)
Benefits paid including expenses	(1,114)	(1,339)
Fair value of Scheme assets at the end of period	30,125	32,262

16. MOVEMENT ON UNRESTRICTED FUNDS

	Opening				Closing
	Balance	Net Income/		Gains and	Balances
	01-Sep-17	(Expenditure)	Transfers	Losses	31-Aug-18
	£000s	£000s	£000s	£000s	£000s
Unrestricted Fund held as Tangible Fixed Assets:	16,619	-	(536)	-	16,083
Property and Equipment Fund	396	-	-	-	396
General reserves	9,120	(629)	536	-	9,027
Defined benefit pension scheme fund	(7,837)	(38)	-	(80)	(7,955)
	18,298	(667)	-	(80)	17,551

	Opening				Closing
	Balance	Net Income/		Gains and	Balances
	01-Sep-16	(Expenditure)	Transfers	Losses	31-Aug-17
	£000s	£000s	£000s	£000s	£000s
Unrestricted Fund held as Tangible Fixed Assets:	17,074	-	(455)	-	16,619
Property and Equipment Fund	396	-	-	-	396
General reserves	9,015	(350)	455	-	9,120
Defined benefit pension scheme fund	(9,352)	130	-	1,385	(7,837)
	17,133	(220)	-	1,385	18,298

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2018

16. MOVEMENT ON UNRESTRICTED FUNDS (Continued)

The property and equipment fund represents the net book value of the tangible fixed assets held for charitable purposes less the amount financed by restricted funds. Since this fund represents existing fixed assets (mainly buildings) it cannot be converted easily into cash and therefore cannot be used to fund other activities.

The repairs and improvement fund represents money set aside by the Trustees towards the finance of special maintenance work and planned major improvements to facilities. We expect to pay £218k of these in the next twelve months and all within two years.

The Trustees have also established free reserves to provide working capital to create a buffer in case there is a sudden reduction in student numbers and to allow for fluctuations in investment returns. The Trustees' policy is to seek to retain a buffer equal to at least four months of normal operating expenditure.

17. ENTITLEMENT TO LEGACIES

The Trust is aware of possible future receipts from legacies, arising on deaths prior to 31 August 2018 where the exact sums are not quantifiable and these are believed to be in the order of £7,750 (2017: £12,094).

18. CAPITAL COMMITMENTS

As at 31 August 2018, there were no major capital commitments of the Trust.

19. TAXATION STATUS

Treloar Trust is a registered charity and no tax is payable on its charitable income. The Trust is not registered for VAT and expenditure is shown inclusive of VAT where chargeable.

20. SHARE CAPITAL

The Trust has no share capital and is limited by guarantee. The liability of each member in the event of a winding up, as stated in the Articles of Association, is limited to £1.

21. RELATED PARTY DISCLOSURE

The balance due at 31 August 2018 to Treloar Enterprises Limited (TEL), the Trust's trading subsidiary, by the Trust was £91,854 (2017: £37,996). Transactions between the Trust and TEL comprised £141,655 (2017: £135,554), including a donation of profits of £31,224 (2017: £23,224).

The Trust granted to TEL the head lease over flats at Campbell Court. In the year ended 31 August 2018 the Trust was due £60,480 (2017: £60,480) in rent and service charges for these flats.

22. ACCOUNTING ESTIMATES AND JUDGEMENTS

In preparing the financial statements, the trustees are required to make estimates and judgements. The matters considered below are considered to be the most important in understanding the judgements that are involved in preparing the financial statements and the uncertainties that could impact amounts reported in the results of operations, financial position and cashflows. Accounting policies are shown in note 1 to the financial statements.

Actuarial assumptions in respect of defined benefit pension scheme

The application of actuarial assumptions relating to the defined benefit pension scheme is incorporated in the financial statements in accordance with FRS102. In applying FRS102, advice is taken from an independent qualified actuary. In this context, significant judgement is exercised in a number of areas, including future changes in inflation, mortality rates and the selection of appropriate discount rates.

Pension scheme deficit reduction payments

As explained in note 15, there is a deficit reduction plan in place in respect of the defined benefit pension scheme. FRS102 requires a liability to be recognised in respect of the present value of future contributions payable under the terms of the deficit recovery plan. The incorporation of this liability in the financial statements involves the exercise of judgement in a number of areas, including the selection of an appropriate discount rate.

Bad debt provision

Consideration is given to debtors which are past their due date as at the balance sheet date and a provision is made against these debts based on both specific information and experience.

Investment Properties

Values of investment properties are constantly monitored to ensure that material fair values are reflected within the financial statements. These include judgements on the correct basis of valuation to apply, yield values of these properties where this basis is used and assessment of the most appropriate yield basis. All of these matters include some form of uncertainty around these judgements.

23. ENDOWMENT FUNDS

The comparative figures have been restated for the change in accounting to the original Billesden Fund as a Permanent Endowment Fund. This has no effect on the results of the Trust but does mean that the Restricted funds are reduced by £509,000 as of 31 August 2016 and £525,000 as of 31 August 2017.

OFFICERS AND PROFESSIONAL ADVISERS

TRUSTEES

Alistair Mackintosh BSc MBA	(Chairman of Treloar Trust)
Michael Chadwick ACA CTAI	(Chairman of Governors, Treloar School and College)
Jane Cooke	
Sir Alex Allan KCB MA MSc	
Dr Helen Harvey BSc PhD	resigned 31/08/2018
Roger Southam BSc (Hons) FRICS FIRPM FARLA	resigned 26/01/2018
James Bateson LLB	
Rhys Iley	
Brian McNamara BSc MBA	
David Matthews JP BSc CA	
Christine Slaymaker	appointed 23/03/2018

HONORARY TRUSTEE

Rt. Hon. The Lord Mayor of The City of London

ROYAL PATRON

HRH The Countess of Wessex GCVO

PATRONS

Ade Adepitan MBE
Michael Aspel OBE
Dan Bentley
Roger Black MBE
Stuart C Boreham
Lady Brewer (Tessa) OBE
Sir David Brewer KG CMG JP
Michael Campbell MBE DL
Michael Cassidy CBE BA MBA
Chris Childs
Christopher Dadson
Damon de Laszlo DL
Julie Fernandez
Humphrey Hawksley
Sascha Kindred CBE
Maureen Marden

Lady Win Normington
Bruce Powell MA
Mike Roberts
Canon Roger Royle
Ben Rushgrove
Admiral Sir Jock Slater GCB LVO DL
David Smith MBE
Nigel Spackman
Jeff Stelling
Alastair Stewart OBE
Sir Richard Stilgoe OBE DL
Alan Titchmarsh MBE DL
Sir Alan Traill GBE QSO MA
The Right Reverend David Williams,
Bishop of Basingstoke
Dame Jacqueline Wilson DBE FRSL
Tom Yendell

SENIOR EXECUTIVES

Tony Reid BA
Martin Ingram BSc PGCE
Simon Birch BA MBA ACA
Jon Colville BA DMS DipM
Kay Griffiths BSc FCIPD

Chief Executive, Company Secretary and Clerk to Governing Body
Principal of Treloar School and College
Finance and Resources Director
Head of Fundraising
Head of Human Resources

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Enabling Education

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