

Annual Report and Accounts

For the Year Ended 31 August 2019



Treloar Trust

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A company limited by guarantee.
Registered in England No. 4466362
Charity number 1092857

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Our Royal Patron
HRH The Countess of Wessex GCVO

Welcome



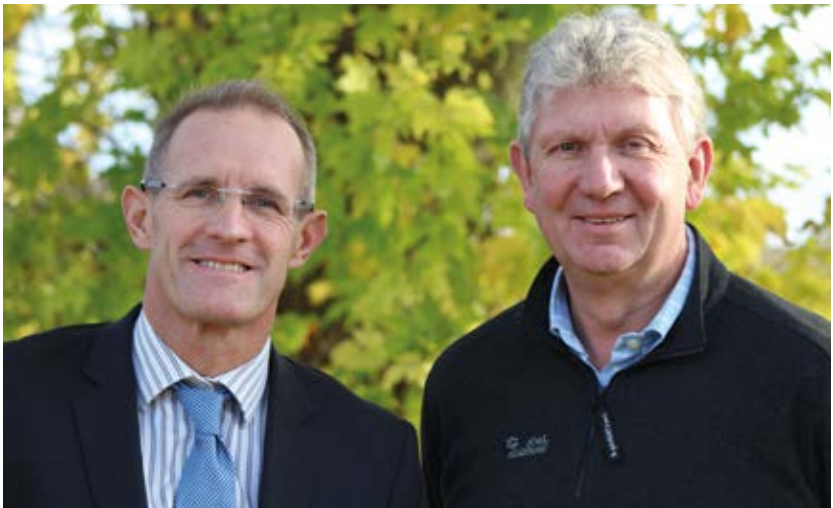
Treloar's has an incredible reputation and certainly one for trailblazing. A fantastic charity – I am proud to be a Patron. If it says it is going to do something it most certainly does it. You are surrounded by people who believe that given the opportunity its students can thrive.

HRH The Countess of Wessex GCVO



Treloar's is the most fantastic place where education and learning work alongside world-class therapy and care. Our students are at the heart of everything we do and our Outreach Services enable us to share our expertise and facilities for the benefit of other young people living in the wider community.

We know that the right support can be life-changing. Each of our students follows a bespoke learning programme with personalised therapy and care. We are enormously grateful to everybody who chooses to work at Treloar's; our highly trained staff help our children and young people to make choices and achieve their individual aspirations. For some, that will be moving on to independent living settings, and for others, that will be progressing to Further Education and employment. We are pleased that our Supported Internship Programme has been so well received and that 99 work experience placements were completed this year. Children and young people thrive at Treloar's. We are proud to be one of the best providers in the country, with 'Ofsted Outstanding' ratings in School Education, School Residential and College Education, and a 'CQC Outstanding' rating for our care and residential provision. Our students lead a full community life; congratulations to the winners of the Unique Arts Awards and to the 14 students who completed their Duke of Edinburgh Awards this year.



As a charity, we rely on the support of individuals and organisations who generously donate their time and money to enable our students to access the specialist staff, equipment and experiences they need to grow in confidence and live a fulfilled life. In 2019/20, we will be creating a new accessible Outdoor Learning Centre for our students and the local community – thank you to everybody who has helped raise the funds to build this much needed facility.

We look forward to seeing you at a future Treloar's event.
Alistair Mackintosh, Chair of Trustees (right) and Simon Birch, Interim CEO (left)

Student Welcome

Treloar’s is one of the UK’s leading centres of excellence for children and young people with complex physical disabilities.

Welcome from our Head Girl Sophie, our Head Boy Sherwin and our Student Governor Sophie

For me, Treloar’s is like a home where you learn. Everyone understands each other and nobody gets bullied, as we all know how everybody is feeling inside. Treloar’s has given me so many opportunities, such as boccia and singing.
Sophie (Head Girl)

The best thing about Treloar’s is the sense of community. Treloar’s gives me the confidence to just be me. My favourite places are my room and the Tech Hub, where I can use the computers, library, Scalextric track and robotic arm! The teachers here are adaptable and relatable.

My goal in life is to be remembered for creating great video games like the Japanese designer ‘Hideo Kojima’.
Sherwin (Head Boy)



Welcome! I love being independent with my life and Treloar’s enables me to do that. The fact that Treloar’s is specifically for disabled people is great and the place is at the heart of our lives.

I love going on trips because I like being challenged in new environments. I also enjoy taking part in extra-curricular activities like DofE and Sports Leaders because I am a very competitive person. I make good use of the amazing on-site Assistive Technology Department – I am up there a lot as I am a good driver (most of the time)! Alongside all the fun and community at Treloar’s, we do get some academic work done! We thrive in our learning environment as we are all treated like adults.
Sophie (Student Governor)



ABOUT TRELOAR’S

We offer outstanding teaching, learning, professional care, therapy, advice and guidance so that every individual can live, learn, achieve and work towards a future that is as independent as possible.

SPECIALIST ENVIRONMENT

Treloar School and College offers around 170 students, aged 2 to 25 years, a specialist environment where education and learning take place alongside therapy and care.

Having a health centre on site enables our students to access education without needing to take long periods of time out of lessons in order to attend off-site clinics. This holistic approach sees the teachers, support and care staff, therapists, medical staff, dietitians, visual impairment advisers, counsellors, transition staff, assistive technology technicians and engineers working as one team to support young people as they move through education and into adult life.

COMPLEX DISABILITIES

Our students are contending with the most complex physical disabilities that make it impossible to attend mainstream schools and colleges. Many of the young people we help require support throughout the day and night - over half of our students stay in one of our five residential houses.

- 98% of our students are wheelchair users
- 40% of our students are non-verbal or require support from communication aids
- 18% of our students have a visual impairment
- 8% of our students have a life-limiting condition.

Outstanding Provision

Ofsted and the Care Quality Commission (CQC) have confirmed Treloar’s as one of the very best providers in the country with ‘Ofsted Outstanding’ ratings in the School and College, and ‘CQC Outstanding’ ratings for Treloar’s care and residential provision. Nationally, only 2% of providers are rated by CQC as ‘Outstanding’.

"An inspiring setting in which pupils are constructively supported to overcome barriers to learning." **Ofsted**

"The school’s work to promote pupils’ personal development and welfare is outstanding." **Ofsted**

"This is an incredible school. The care my son receives is exceptional and has proved life changing." **Parent**



SALLY



EMERSON



My child’s progress has been amazing... her independence and ability to choose has really grown, as has her confidence and interaction with others. **Parent**



College
'Outstanding'



School Residential
'Outstanding'



School
'Outstanding'



Healthy
Schools



College
'Outstanding'

Student Achievements

in the classroom



LEANNE



LEO



MIKE

100%

Success rate at Entry Level 2 and Entry Level 3.

100%

of GCSE qualifications in English and Maths were achieved.

99

work experience placements were successfully completed.

Our students have had a successful year, both in the classroom and beyond.

OUTCOMES FOR SCHOOL

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

- 91% of individual education plan targets were fully achieved
- 96% success rate at Entry Level 1
- 100% success rate at Entry Level 2
- 100% success rate at Entry Level 3.

OUTCOMES FOR COLLEGE

Our students' outcomes were outstanding at all levels.

- 96% of individual learning plan targets were fully achieved
- 97% of academic targets were fully achieved
- 100% of GCSE qualifications in English and Maths were achieved
- 93% of functional skills qualifications in English and Maths were achieved.

All four students aiming to progress to Higher Education achieved their goal. Five students progressed to a supported internship.

WORK EXPERIENCE

- 99 work experience placements were successfully completed.

UNIVERSITY FOR MIKE

Former student, Mike, left Treloar College in 2019 and is pursuing an undergraduate degree in Nutrition at Southampton Solent University.

Mike enjoyed his time at Treloar's and says that it helped him to be independent and progress to his chosen university course. We wish Mike every success with his studies.

Student Achievements

beyond the classroom

TEAM TRELOAR'S SUCCESS AT THE HEATHCOAT CUP

The Heathcoat Cup is an exciting Boccia competition for all impairment groups, and a favourite for us. Thanks to generous donations from our supporters, we have been able to purchase 13 ramps which have enabled so many more students to enjoy Boccia and take part in external competitions. This year, 11 of our students competed in the BC3 category, many for the first time. Sophie, Sally, Josh and Marc progressed through to the quarter finals and Josh and Sally went on to compete in the semi-finals. This was a fantastic event and we are so proud of Team Treloar's!



HEATHCOAT CUP



INDEPENDENCE SKILLS



BELONG

INDEPENDENCE SKILLS

An important goal for many young people is learning the skills they'll need when they leave education and home. We have bespoke independence flats to help college-age students gain confidence and independence skills. We believe that by teaching these skills, we can enable each person to live a fulfilled life where they exercise choice, are more independent and ultimately can use their skills and talents to thrive in their local community.

ASSISTIVE TECHNOLOGY

The Treloar's Assistive Technology Team uses engineering, computing and electronics to enable young people with disabilities to achieve their full potential. Steve was keen to access his iPad, both for leisure activities and to do his classwork. His hand skills were not sufficiently coordinated to use the touch screen and he became frustrated with having to tell staff what he wanted them to do.

Our Assistive Technology Team set up a simple Bluetooth switch that enabled Steve to use his existing head switch to use the iPad. We mounted the iPad onto Steve's wheelchair so that it could be securely positioned in front of him and was also in a great position for taking selfies!

BELONG PARENT AND CHILD GROUP

Our Behaviour, Engagement, Learning, Observation, Nurturing and Guidance (BELONG) programme runs each week and caters for up to six pre-school aged children and their parent or carer. The sessions are led by a paediatric physiotherapist and concentrate on handling, positioning and physical targets.

Our Monday coffee mornings are open to all Treloar's parents and carers. These informal sessions are an opportunity to talk to other parents and to receive advice and support from the Treloar's Parent Teacher Association.



During this year's DofE programme, 12 of our students had a memorable experience when out sailing in the Solent – the weather deteriorated rapidly and they successfully returned their boats to the harbour in challenging conditions!

Congratulations to all of our students who have completed their DofE awards.

- 14 DofE Awards completed this year

UNIQUE ART AWARD 2018

This award, organised by the Foot Painting Artists Trust Fund, is for young students with a disability to enter their unique work into a competition. The presentation for the winners was held in Kingston, London in October.

Treloar's had five winners:

- Eliz (Digital Art gold)
- Chloe (Digital Art silver)
- Connor (Digital Art bronze)
- Cory (Photography bronze)
- Marc (3D sculpture bronze)

Students who attended enjoyed a three course dinner before the ceremony and vouchers for art equipment. Well done to all!

Thanks to Our Donors and Supporters



AN EVENING AT FROYLE PARK

During 2018/19, fundraising income reached over £1.9M which is all thanks to our wonderful and incredibly generous donors. There were so many activities and events throughout the year to raise funds and we thank every single person and organisation who helped to support us in so many different ways.

TRELOAR'S SUPPORTER SWIMS THE CHANNEL

In August 2019, David Sanger, a generous and longstanding supporter of Treloar's, embarked on the challenge of a lifetime to swim the English Channel in aid of Treloar Trust. Without a wetsuit, David swam the 44km unaided to France. He reached land after a gruelling 15 hrs, a remarkable achievement when contending with unpredictable tides, rain and sickness from such extreme physical exertion. David received huge support from his family and friends who together have raised over £10,000 for Treloar's.

COMPANY SUPPORT

Company partnerships are hugely important to Treloar's and we received amazing support over the last year through sponsorship, donations and many volunteer groups. We were exceptionally grateful to be nominated as Health Beneficiary Charity of The National Garden Scheme who generously donated £85,000 to our appeal for a new Outdoor Learning Centre. We thank you for your generosity and look forward to working with you in 2019/20.

AN EVENING AT FROYLE PARK

In May 2019, 150 supporters attended a special event at Froyle Park, once the home of Treloar School. Chair of Trustees, Alistair Mackintosh, presented the Trust's two capital appeals to build Key Worker Accommodation and an Outdoor Learning Centre on the campus and asked guests for their support. After dinner comedian and impressionist, Rory Bremner, entertained the audience with a hilarious stand-up routine. Over £200,000 has been donated since the evening, helping to kick-start the above appeals.

THE CITY OF LONDON

The City of London Livery Companies are generous and loyal in their giving to Treloar's. Gifts include donations, gifts-in-kind, and attendance at our fundraising events such as the Gala Dinner at Mansion House. During the year, donations have been made to support our Dietitians' salaries, the Assistive Technology Team salaries, residential house and classroom hoists, SMART boards, iPads, IMPact Fund and the Sixth Form Annual Production. We were also delighted to welcome The Rt Hon the Lord Mayor of the City of London, Peter Estlin, for a visit in February 2019, along with over 50 Livery Masters.

The City of London

Income from Livery Companies and individuals and organisations linked to the Livery movement in 2018/19 exceeded £158,000 and we would like to express our gratitude to all our generous donors.



DAVID SANGER



COMPANY SUPPORT



THE CITY OF LONDON

Making a Difference



TRANSFORMING LIVES



INDEPENDENCE AND MOBILITY



RESIDENTIAL TRIPS

We are delighted that the generous donations from our supporters have enabled us to fund Music Therapy and Art Therapy. This will benefit students who are non-verbal and require specialist support to ensure their wellbeing and help them to express themselves, even though they cannot speak.

TRANSFORMING LIVES

Our dedicated team fundraises for specialist equipment to support the complex needs of students in the School and College.

Thanks to our donors, we have been able to provide Smart Home technology, revamp our Assistive Technology workshop with new equipment, install hoists in our residential houses, purchase ramps for Boccia, introduce SMART boards to the classrooms and provide switch accessible toys.

INDEPENDENCE AND MOBILITY

We have two very important funds at Treloar’s which are generously supported by our donors. The IMPact Fund is offered to students who require new wheelchairs, driving controls and other equipment to enhance their mobility.

The Campbell Sports Fund supports participation in competitive sports, Duke of Edinburgh trips, sport for fun and once in a lifetime trips like power-boating or sailing. Both funds are available to current students and alumni up to the age of 30.

These grants really do enrich the lives of our young people and simply wouldn’t be possible without the financial support of our donors.

RESIDENTIAL TRIPS

Donations enable students to go away on residential trips with their friends to purpose-built accessible sites. These trips are so special because many of our families struggle to go on holiday together as access and care needs can be so complex.

This year, we were able to take eight of our Year 11 students to Calvert Trust and ten of our College students to Woodlarks for trips of a lifetime. With the help of our highly specialist staff, students were able to take part in outdoor activities, which helped to build their confidence in an unfamiliar environment.

As one student said:



It was an amazing two days. My highlight was the bonfire. I enjoyed being with other students and spending time with my key worker outside of college.

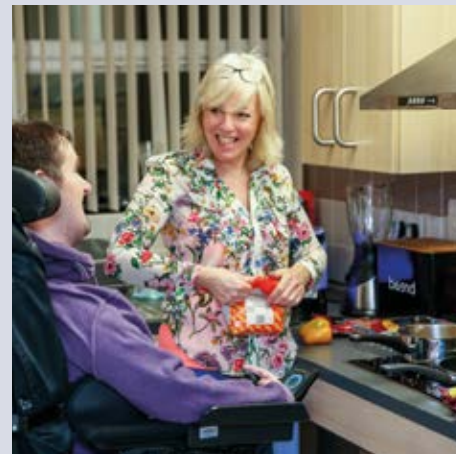


Transition to Adult Living

This year, our progress and transition coordinator worked with Liam, his family and external agencies to find a future living placement close to home.

Our Multi-Disciplinary Team prepared a clear action plan to ensure that support was put in place by the time Liam left Treloar's. We arranged overnight stays, visits by staff from Liam's future placement, and speech and language advice to enable him to use his communication aid with confidence.

We helped Liam to communicate his likes, dislikes and interests to his new placement through his Person Centred Plan. We also helped him to find leisure activities that he could take part in within his new local area. Liam has settled in well at his new home and is enjoying the activities that are on offer, including swimming, sensory activities and spending time in the local community.



At Treloar's, we aim to overcome barriers by supporting young people with physical disabilities on their pathway to paid employment. Thank you to all of the employers who work with us.

CAMPBELL COURT

Campbell Court is a community of seven accessible self-contained ground floor flats located on the Treloar's Campus. Tenants have the security of knowing that a Personal Assistant is available day or night at a moment's notice, or that there is someone to help with small tasks.

We also support residents to manage their Direct Payments and source their care providers.

The Independent Adult Living Service at Campbell Court is outcome led, with regular tracking and monitoring of progress towards personal goals.

SUPPORTED INTERNSHIPS AND WORK EXPERIENCE

This year, we have helped five of our college students to secure supported internships with external employers, including Enterprise Rent-A-Car, Disability Challengers, QE2 Activity Centre and Vets4Pets.

The internship programme will enable young people to spend two to three days each week at their chosen placement and our Job Coach, Charlotte Warwick, will support them as they settle in and learn new employment skills.

The remaining part of the week will be spent taking part in individualised timetables linked to personal aspirations, independence skills and transition planning.

Enterprise and Expertise



This year, some of our College students who have been taking part in creative classes started to use their Transition Planning sessions to set up and open their own individual online shops.

Marc is a third year art student who enjoys doodling and drawing new characters. He uses Doodle, Polygon Art and sometimes Maps. Marc's shop is called 'Tempest-X-Storm'. You can see his art at www.redbubble.com

PRINTING ENTERPRISE

By working at TreloarPrint, students develop skills and knowledge in a real and busy work environment, enabling them to obtain City & Guilds and BTEC qualifications, employability skills and valuable work experience. Our excellent printing enterprise offers high quality traditional print and promotional products. It has grown each year into a thriving business with hundreds of customers.



The people who work at Treloar's are our greatest asset. Their energy and total commitment to our students is what makes this such a special place and enables our children and young people to thrive.

STAFF EXPERTISE

During 2018/19, we employed 820 full and part-time staff, including teachers, nurses, therapists, care workers, drivers, chefs, fundraisers, housekeepers, assistive technologists, transition workers, support staff and chaplains. These professionals work together in multi-disciplinary teams to create an integrated service for our students. Their efforts were complemented by our bank staff and team of dedicated volunteers, who contributed over 17,000 hours of their time.

We are proud of the wide-ranging skills of our staff and we are committed to their continuing professional development. This year, 64 staff completed recognised qualifications, including Level 1-5 Diplomas, Level 1-2 Functional Skills and Level 2 Distance Learning Courses. We offer clinical placements for students studying therapy, nursing and education through universities such as the University of Surrey.

In an industry struggling to recruit, we have worked hard to maintain high levels of staffing, achieved through our

hard won reputation as a good employer and through innovative recruitment. As well as recruitment campaigns throughout the UK, we have also carried out successful overseas and Skype campaigns to recruit student support assistants from Spain, Portugal, Greece and Hungary. The need to remain innovative will continue to be important as the UK considers its relationship with the EU.

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. Having also been shortlisted for Employer of the Year in the Gold category in the Investors In People Awards 2019, we are thrilled to have been named as a global leader in how we support our staff to do their best work and go home feeling engaged, happy and healthy. We are also recognised as a Disability Confident Employer, as well as signing the charter to be a Mindful Employer. By signing the 'Charter for Employers Positive about Mental Health', we have made a public declaration to support the mental wellbeing of our staff.



Outward Focus

This was an outstanding year for Outreach at Treloar's. Outreach enables us to share our expertise with the wider community and work collaboratively with other agencies to improve provision for all young people with physical disabilities.



CLINICAL SERVICES

Treloar's has a highly experienced and extensive clinical services team specialising in physical disability. This year, we provided 243 hours of therapy to external clients.

We provide a range of professional services including:

- Clinical supervision
- Reviews and appraisals
- Comprehensive assessments with written report
- Physiotherapy, hydrotherapy, occupational therapy, speech & language therapy
- Counselling & psychotherapy



EXTERNAL TRAINING

Treloar's Training Courses are offered to external organisations in the education, health and social care sector. We provide a full range of accredited, mandatory and professional development courses.

Our training is recognised as being of the highest quality - this year we trained 145 external delegates.



SHORT BREAKS

This year, we welcomed 340 guests on residential short breaks. Our fully accessible catered accommodation is available for hire by charitable groups who offer short breaks to physically disabled young people and their families during the school holidays. This testimonial shows why groups return year after year:



"The Treloar's premises are far superior to any other that we have visited over the years, and address the needs of our group perfectly. All disabled facilities are available and the site is beautifully maintained. The staff are available, friendly and accommodating, and because of their experience, they are able to understand our requirements, and to support us both before and during our stay."



"I loved camp because it made me feel I didn't have a disability for the first time in my life."

Thank You to Our Volunteers



We are so fortunate to have a group of wonderful people who also run events in aid of Treloar’s. We’d like to thank them for all their hard work, and for making a huge difference to the lives of all the young people who live, laugh and learn at Treloar’s.

THANK YOU LUNCH

In the summer, we held our annual Thank You Lunch where staff and volunteers joined together to celebrate the contribution that volunteers make to the children and young people at Treloar’s.

INTERNATIONAL VOLUNTEERS

We said a sad goodbye to our ten international volunteers who have been living on site and volunteering fulltime as part of their gap year. They have joined us from countries as far afield as South Korea, Taiwan, Finland and Ecuador, and have enriched Treloar’s and our students with their experiences and enthusiasm.

VOLUNTARY HELPER OF THE YEAR

Our Principal, Martin Ingram, was delighted to present the Voluntary Helper of the Year award to Jane Macnabb, Chair of the Friends of Treloar’s. The Friends contribute an incredible amount, including organising the annual Plant Sale and manning stands for our charity Christmas card sales. Jane also volunteers each week helping students with their reading skills.



OUR VOLUNTEERS

Treloar’s has a proven track record of providing a wide range of volunteering opportunities.



OUR HELPER OF THE YEAR

Martin Ingram was delighted to present the Voluntary Helper of the Year award to Jane Macnabb.



PLANT SALE VOLUNTEERS

Our keen and committed volunteers can be found at a variety of annual events.

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 2019 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 58, 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
- Outreach Services.

UPDATE ON PLANS AND DEVELOPMENTS

In our 2017/18 annual report, we set out our plans for 2018/19 and beyond. These plans, together with an update on progress are described to the right:

£1.93m

Increase the scale and reach of our fundraising activities. At £1.93m, 2019 fundraising exceeded targets by £184k, with 2019/20 targets forecasting further growth.

- **Maintain the School and College as an Outstanding Provider.** An OFSTED Residential carried out in the spring of 2019 again rated the School as Outstanding. The College remains Outstanding.
- **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.** Student numbers grew by 2 to 166 in the 12 months to July 2019. 2 extra courses were provided in the College and our respite / non-term time provision grew by 4%.
- **Increase the support provided to our students and other young learners as they leave formal education.** The Transition Team has been bolstered and a Supported Internship Programme launched. Support was also increased through a Creative Futures event held in the Summer, and by launching personal creative platforms for leavers in photography, art and media.
- **Invest in strategies to attract, develop and retain skilled staff.** In 2019, Treloar's was awarded the prestigious Gold Award by Investors in People. We were also nominated as Employer of the Year in the Investors in People Awards, recognising our commitment to this area.
- **Increase the scale and reach of our fundraising activities.** At £1.93m, 2019 fundraising exceeded targets by £184k, with 2019/20 targets forecasting further growth.
- **Act as a leader in our field developing best practices and enabling technologies, sharing our knowledge, partnering with local authorities and contributing to the debate about supporting young people with physical disability.** In the year we engaged with our district council in an innovative new pilot to provide affordable disabled accommodation, we started a pilot with the Department of Work and Pensions to facilitate the route for complex physically disabled students into work and we engaged on several research projects with universities.
- **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.** Work on our long term strategy is wide ranging and ongoing. Plans to realise the first elements of this strategy that will include building an Outdoor Learning Centre are advanced.

Building on these successes, our plans for 2020 and beyond are to:

- Maintain the School and College's reputation as an Outstanding Provider.
- Complete work on a long term strategy, including supporting more beneficiaries.
- Invest in our staffing strategy, including the building of new staff accommodation to attract, develop and retain skilled staff.
- Create a new accessible Outdoor Learning Centre that will enable our students and other beneficiaries to learn horticulture and animal care skills, as well as gaining work experience.
- Work with the Department for Work and Pensions and employers to provide more internships and work experience placements to support our students with their transition in to work.
- Grow our reputation within the sector by presenting at specialist conferences and providing training to external agencies.
- Continue to expand our fundraising activities to enable our students and others to access the specialist staff, equipment and experiences they need to grow in confidence and live a fulfilled life.

Strategic Report

(Incorporating the Directors' Report)



FINANCIAL REVIEW

2018/19 saw the Trust incur a small net expenditure of £238k (2018: net income £282k), before actuarial losses of £2.56m, (2018: £80k) on a turnover of £23.0m (2018: £22.5m).

Total student numbers (excluding Nursery) rose slightly to 166, with the College up 4 at 90 and the School numbers 2 lower at 76. This net rise helped charitable activity income grow by 4.6% to £20.6m (2018: £19.7m), largely reflecting a growth in complexity. Donations and legacies, at £1.53m (2018: £2.13m), performed well with the headline fall reflecting a one-off receipt of a large endowment fund in 2018 where the income is intended to help students in need of financial assistance to access education. Other fundraising activities also grew by 23% to £409k (2018: £332k), reflecting the growing success of Treloar's fundraising events and Trelottery.

Expenditures rose by 4.1% to £23.4m (2018: £22.4m) as staffing costs rose above inflation, reflecting the need to support a larger and more complex group of students. There was an actuarial loss on the Defined Benefit Pension Scheme of £2.56m (2018: £0.08m). This loss reflected increased projected liabilities driven by a falling discount rate only partly offset by investment growth. The increased deficit on the defined benefit scheme meant that the Trust's unrestricted funds fell to £14.6m (2018: £17.6m) and total funds reduced to £25.5m (2018: £28.3m).

Other balance sheet and cash flow highlights included a decrease in both debtors and creditors falling due within one year, reflecting the fact that in 2019 many September term invoices were sent out after the 31st August year end.

GROUP STRUCTURE

The Trust has only one subsidiary, Treloar Enterprises Limited (TEL). The subsidiary, which is wholly owned, carries out noncharitable activities for the benefit of the Trust.

During the year to 31 August 2019, TEL made an operating profit of £93k (2018: £31k), which 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 accounts 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, 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 2019, the General Reserve was £8.98m (2018: £9.03m), equivalent to 4.6 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 £15.8m (2018: £16.1m). Restricted Funds £11.0m (2018: £10.8m) represent monies received for a restricted purpose. The vast majority of these funds relates to specific building appeals (£8.30m) and to the Rossington Fund (£0.94m) and Billesden Fund (£0.54m) given to help students access education and to help monitor alumni progress respectively.

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 rose by £5.93m to £44.0m and the value of assets rose by £3.26m to £33.4m meaning that the net deficit rose to £10.6m.



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 sufficient students, which is managed by liaising closely 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, which 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 errors, 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 safeguarding manager.
- Lower than budgeted level of fundraising prevents the Charity investing in value adding facilities and opportunities. This risk is managed by undertaking different types of fundraising and the steerage of a dedicated Trust committee.
- Pension fund 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.
- Data protection failure, which we manage by following the General Data Protection Regulation and ensuring we have appropriate backup and data recovery systems.

EQUAL OPPORTUNITIES

Respecting diversity is one of Treloar’s key values and we are committed to being an inclusive organisation where diversity is celebrated and valued.

Treloar’s strives to create a culture where mutual cooperation, respect , dignity and trust are fostered. The Trust will not tolerate unfair or unlawful treatment on the grounds of age, disability, gender, transgender, marital status, race, colour, ethnic origin, socioeconomic background, sexual orientation, nationality, trade union membership and activity, philosophical, political or religious beliefs or unbelief, and pregnancy or maternity. Initiatives are headed by a dedicated equality, diversity and inclusion coordinator reporting directly to the Quality and Performance subcommittee 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 all staff, fortnightly communication of key matters from the leadership via the Trust’s intranet, a ‘Staff News’ publication, a half-termly Chief Executive’s report, and an annual briefing on current strategy from the Chief Executive. All teams have staff meetings, and there is a Staff Consultation Group and a Staff Voices Conference. Staff and volunteer questionnaires are used to ensure that communication is genuinely two-way.

GOVERNANCE

The Charity is governed by its Memorandum and Articles of Association adopted in June 2002 and amended in July 2010, March 2017 and July 2019. 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 seven principles which make up 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 subcommittee 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 skills and 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 subcommittees 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 formal 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 provide training to enhance their understanding and knowledge of the Charity to ensure all Trustees and Governors are able to satisfy themselves of their own performance.

Key Policies



STATEMENT OF TRUSTEES' RESPONSIBILITIES

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 effectiveness. 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:

- Annual management plans and annual budgets approved by the Trustees;

FUNDRAISING STATEMENT

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities.

- 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 remuneration 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.

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 six 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 2018/19 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 Group consults in depth with the Trust before appointing investment managers and 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 6 December 2019 and signed on their behalf.

Alistair Mackintosh, Chair of Trustees

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 2019 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 2019 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.

Independent Auditor's Report

To Members of Treloar Trust



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/auditors-responsibilities>. 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

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 31st August 2019

	Note	2019 Unrestricted £000s	2019 Restricted £000s	2019 Endowed £000s	2019 Total £000s	2018 Unrestricted £000s	2018 Restricted £000s	2018 Endowed £000s	2018 Total £000s
Income from:									
Donations and legacies	2	699	826	-	1,525	558	635	935	2,128
Charitable activities									
Teaching		7,296	-	-	7,296	7,062	-	-	7,062
Medical		4,675	-	-	4,675	4,494	-	-	4,494
Care		8,610	-	-	8,610	8,122	-	-	8,122
Total income from charitable activities		20,581	-	-	20,581	19,678	-	-	19,678
Income from other trading activities									
Other fundraising activities	2	314	95	-	409	246	86	-	332
Rent	3	324	-	-	324	294	-	-	294
Total income from other trading activities		638	95	-	733	540	86	-	626
Investment income	4	194	5	-	199	102	5	-	107
Total income		22,112	926	-	23,038	20,878	726	935	22,539
Expenditure on:									
Raising funds		1,057	8	-	1,065	1,019	5	-	1,024
Charitable activities									
Teaching		7,448	366	-	7,814	7,275	337	-	7,612
Medical		4,448	169	-	4,617	4,328	233	-	4,561
Care		9,670	192	-	9,862	9,093	146	-	9,239
Total expenditure on charitable activities		21,566	727	-	22,293	20,696	716	-	21,412
Total expenditure	5	22,623	735	-	23,358	21,715	721	-	22,436
Net gains on investments	7	80	-	2	82	170	-	9	179
Net (expenditure)/income		(431)	191	2	(238)	(667)	5	944	282
Actuarial loss on defined benefit scheme	15	(2,557)	-	-	(2,557)	(80)	-	-	(80)
Net movement in funds		(2,988)	191	2	(2,795)	(747)	5	944	202
Total funds brought forward		17,551	9,315	1,469	28,335	18,298	9,310	525	28,133
TOTAL FUNDS CARRIED FORWARD		14,563	9,506	1,471	25,540	17,551	9,315	1,469	28,335

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 41 to 57 form part of these financial statements.

BALANCE SHEET AS AT 31 AUGUST 2019

	Note	2019 £000s	2019 £000s	2018 £000s	2018 £000s
Fixed assets					
Tangible fixed assets	8		24,894		24,955
Investments	9		7,469		7,391
Total fixed assets			32,363		32,346
Current assets					
Stock		9		9	
Debtors	10	4,057		6,641	
Investments	9	1,421		1,653	
Cash at bank and in hand		2,694		2,420	
Total current assets		8,181		10,723	
Liabilities					
Creditors: Amounts falling due within one year	11	(4,033)		(6,536)	
Net current assets			4,148		4,187
Total assets less current liabilities			36,511		36,533
Provision for liabilities and charges	12		(351)		(243)
Net assets excluding pension scheme liability			36,160		36,290
Defined benefit pension scheme liability	15		(10,620)		(7,955)
NET ASSETS			25,540		28,335
The funds of the charity					
Restricted Funds	13		9,506		9,315
Endowed Funds	13		1,471		1,469
Unrestricted funds held as tangible fixed assets	16	15,843		16,083	
Designated funds	16	364		396	
General reserves	16	8,976		9,027	
Defined benefit pension scheme fund	15	(10,620)		(7,955)	
Unrestricted funds	16		14,563		17,551
TOTAL FUNDS			25,540		28,335

Approved by the Board of Trustees on 6 December 2019
and signed on its behalf by



Alistair Mackintosh
Chair of Trustees



Michael Chadwick
Trustee

Company registration number: 4466362

CASHFLOW STATEMENT

Year Ended 31st August 2019

	2019 £000s	2018 £000s
Reconciliation of net (expenditure)/income to net cash flow from operating activities		
Net (expenditure)/income for the reporting period (as per the statement of financial activities)	(238)	282
Adjustments for:		
Depreciation charges	1,167	1,130
Net gains on investments (including investment property)	(82)	(179)
Investment income shown in investing activities	(199)	(76)
(Increase) in stock	-	(1)
Decrease/(increase) in debtors	2,584	(2,817)
Decrease/(increase) in creditors	(2,503)	2,290
Increase/(decrease) in provisions for liabilities and charges	108	(40)
Net charges for defined benefit pension scheme	108	38
Net cash provided by operating activities	945	627
Statement of cash flows		
Cash flows from operating activities		
Net cash provided by operating activities	945	627
Cash flows from investing activities		
Investment income	199	76
Purchase of tangible fixed assets	(1,106)	(669)
Proceeds of sale of investment (including investment property)	6,132	4,246
Purchase of investments	(6,190)	(3,595)
Net cash used in investing activities	(965)	58
Change in cash and cash equivalents in the reporting period	(20)	685
Cash and cash equivalents at the beginning of the reporting period	4,357	3,672
Cash and cash equivalents at the end of the reporting period	4,337	4,357
Analysis of cash and cash equivalents		
Cash at bank and in hand	2,694	2,420
Current asset investments	1,421	1,653
Cash equivalents held in fixed asset investments	222	284
	4,337	4,357

The notes on pages 41 to 57 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31st August 2019

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) **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 note 9 to these accounts the results of Treloar Enterprises Limited for its accounting year to 31 August 2019. The accounts therefore show the results, cash flows, assets and liabilities of the Trust itself rather than the group as a whole.
- c) **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.
- d) **Fundraising income**
i) Donations are recognised when received or when the Trust 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.
- e) **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.
- f) **Rental income**
Rental income is accounted for in the period for which the rent has been charged.
- g) **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.
- h) **Operating leases**
Rentals payable are charged on a time basis over the term of the lease.

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31st August 2019

1. ACCOUNTING POLICIES (Continued)

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

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.
Assets under construction	Costs incurred on assets not completed as at the year end are shown as assets under construction and are not depreciated until such time as completed and transferred to the relevant class of asset.

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 at least four 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 for 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 held on deposit with a maturity of three months or less are considered as cash equivalents.

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31st August 2019

1. ACCOUNTING POLICIES (Continued)

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.

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

	2019 Income £000s	2019 Direct Expenditure £000s	2019 Support Costs £000s	2018 Income £000s	2018 Direct Expenditure £000s	2018 Support Costs £000s
Gifts and legacies						
Unrestricted	699	-	-	558	-	-
Restricted	826	-	-	635	-	-
Endowed	-	-	-	935	-	-
Total	1,525	483	89	2,128	456	78
Events	191	124	22	166	97	18
Lottery	218	186	24	166	158	21
Marketing	-	124	13	-	101	12
Total	1,934	917	148	2,460	812	129

3 RENT

	2019 £000s	2018 £000s
Lettings income	82	148
Estate rents and wayleaves	242	146
	324	294
All items relate to unrestricted activities.		

4 INVESTMENT INCOME

	Unrestricted Funds £000s	Restricted Funds £000s	Total 2019 £000s	Unrestricted Funds £000s	Restricted Funds £000s	Total 2018 £000s
Income from trading subsidiary	102	-	102	31	-	31
Income from listed investments	65	-	65	52	5	57
Interest on fixed term deposits	11	5	16	12	-	12
Interest receivable	16	-	16	7	-	7
	194	5	199	102	5	107

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31st August 2019

5 EXPENDITURE

	2019 Direct Staff Costs £000s	2019 Other Costs £000s	2019 Support Costs £000s	2019 Total £000s	2018 Direct Staff Costs £000s	2018 Other Costs £000s	2018 Support Costs £000s	2018 Total £000s
Raising funds	432	485	148	1,065	479	416	129	1,024
Charitable activities								
Teaching	5,002	472	2,340	7,814	5,090	444	2,078	7,612
Medical	3,345	183	1,089	4,617	3,287	190	1,084	4,561
Care	5,987	217	3,658	9,862	5,473	179	3,587	9,239
Total charitable activities	14,334	872	7,087	22,293	13,850	813	6,749	21,412
TOTAL EXPENDITURE	14,766	1,357	7,235	23,358	14,329	1,229	6,878	22,436

The support costs can be analysed as follows;

	2019 Raising Funds £000s	2019 Teaching £000s	2019 Medical £000s	2019 Care £000s	2019 Total £000s	2018 Raising Funds £000s	2018 Teaching £000s	2018 Medical £000s	2018 Care £000s	2018 Total £000s
Facilities	54	851	396	1,330	2,631	44	715	373	1,233	2,365
Depreciation	24	378	176	590	1,168	21	341	178	590	1,130
Finance and Payroll	7	104	48	163	322	7	109	57	188	361
HR and Training	18	284	132	445	879	15	242	127	418	802
IT	13	202	94	315	623	11	181	94	312	598
Transport	4	67	31	104	206	4	64	33	109	211
Governance	15	234	109	365	723	15	238	124	412	789
Misc	14	221	103	345	682	12	188	98	325	623
	148	2,340	1,089	3,658	7,235	129	2,078	1,084	3,587	6,878

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 £4,967 (2018: £4,950) 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.

	2019 £000s	2018 £000s
Total auditor's remuneration is made up as follows:		
Audit (for the Charity, School and College)	23	30
Other services	4	7
	27	37

6 STAFF COSTS AND TRUSTEE EXPENSES

Total staff costs for the year were as follows:	2019 £000s	2018 £000s
Wages and salaries	15,334	14,967
Employer's NIC	1,131	1,090
Termination payments	10	39
Employer's pension costs	1,731	1,483
	18,206	17,579

Not included in the above are benefits in kind amounting to £9,459 (2018: £9,665), 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.

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31st August 2019

6 STAFF COSTS AND TRUSTEE EXPENSES (continued)

	2019 £000s	2018 £000s
Employer's pension costs comprise the following:		
Teachers pension scheme (Note 15)	239	234
Employer contribution to Treloar group personal pension scheme (Note 15)	844	671
Defined benefit pension scheme		
Expected interest cost less expected return (Note 15)	648	578
	1,731	1,483

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

	Full Time Equivalents	
	2019	2018
Teaching	173	174
Medical	83	81
Care (inc catering)	268	272
Facilities and ancillary	74	86
Fundraising	10	11
Marketing	1	1
Outreach projects	1	1
	610	626
Total average employees by headcount	820	825

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

	2019	2018
£60,001 to £70,000	2	1
£80,001 to £90,000	1	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 £448,188 (2018: £373,450). Key management is deemed to be the CEO, Principal and Finance Director.

Four of the above members of staff accrued benefits under the Treloar group personal pension scheme and £31,604 (2018: £41,965) was paid by the Trust to the scheme in respect of these members. The Trustees received no remuneration for their services as Trustees during the period (2018: Nil). One Trustee was reimbursed £96 during the period for travel and other costs incurred in connection with the work of the charity (2018: one Trustee £121).

7 GAINS AND LOSSES ON INVESTMENTS

	2019 Unrestricted Funds £000s	2019 Restricted Funds £000s	2019 Endowed Funds £000s	2019 Total £000s	2018 Unrestricted Funds £000s	2018 Restricted Funds £000s	2018 Endowed Funds £000s	2018 Total £000s
Listed investments	416	-	33	449	465	-	9	474
Investment Property	-	-	-	-	56	-	-	56
Unrealised gains on investment property	46	-	-	46	32	-	-	32
Unrealised loss on listed investments	(382)	-	(31)	(413)	(383)	-	-	(383)
	80	-	2	82	170	-	9	179

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31st August 2019

8 TANGIBLE FIXED ASSETS

Cost	Opening Balance £000s	Additions £000s	Closing Balance £000s
Freehold land and buildings	34,393	301	34,694
Plant, machinery and motor vehicles	3,791	517	4,308
Assets under construction	-	288	288
	38,184	1,106	39,290

Depreciation	Opening Balance £000s	Charge for Year £000s	Closing Balance £000s
Freehold land and buildings	(10,379)	(857)	(11,236)
Plant, machinery and motor vehicles	(2,850)	(310)	(3,160)
Assets under construction	-	-	-
	(13,229)	(1,167)	(14,396)

Net Book Value	Opening Balance £000s	Additions less charges £000s	Closing Balance £000s
Freehold land and buildings	24,014	(556)	23,458
Plant, machinery and motor vehicles	941	207	1,148
Assets under construction	-	288	288
	24,955	(61)	24,894

9 INVESTMENTS

Fixed asset investments

	2019 Total £000s	2018 Total £000s
Listed investments - UK	3,777	2,454
Listed investments - non-UK	2,856	4,085
Investment properties	570	524
Subsidiaries and associated undertakings	25	25
Unlisted investments	19	19
Bank deposits	222	284
	7,469	7,391

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31st August 2019

9 INVESTMENTS (continued)

Current asset investments	2019 Total £000s	2018 Total £000s
UK Investments - Deposits	1,421	1,653

Listed investments

	2019 Total £000s	2018 Total £000s
Market value of assets as at 1 September	6,540	6,616
Additions	6,190	3,595
Disposal proceeds	(6,132)	(3,761)
Net unrealised investment losses	(414)	(383)
Net realised investment gains	449	473
Market value of assets as at 31 August	6,633	6,540
Historical cost as at 31 August	6,648	6,140

Investment Properties (all UK)

	2019 Total £000s	2018 Total £000s
Valuation at 1 September	524	917
Additions/(Disposals)	-	(425)
Revaluation	46	32
Valuation at 31 August	570	524
Historical cost as at 31 August	126	126

The Trustees have revalued Howards Farm at £456,500, based on the long term yield value of the property.
The Trustees have revalued The Vale, Shirley at £113,000, based on the long term yield value of the property.
All valuations will be continuously monitored to ensure material market valuations are reflected in the balance sheet.

Unlisted investments

	2019 Total £000s	2018 Total £000s
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.

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31st August 2019

9 INVESTMENTS (continued)

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 lettings of facilities and the retail presence of the Trust both physically and online.		
The trading subsidiary gift aids its profit to the Trust. Its trading results for the year ended 31st August were:		
	2019	2018
	Total	Total
	£000s	£000s
Turnover	215	195
Cost of sales	(117)	(149)
Gross profit	98	46
Administration expenses	(5)	(15)
Profit on ordinary activities before taxation and interest	93	31
Taxation	-	-
Profit on ordinary activities after taxation	93	31
Gift aided payment - qualifying charitable donation	(93)	(31)
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

	2019	2018
	£000s	£000s
Fees billed in advance	2,538	5,154
Trade debtors	631	600
Other debtors	605	603
Prepayments	283	284
	4,057	6,641

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

11 CREDITORS: Amounts falling due within one year

	2019	2018
	£000s	£000s
Trade creditors	440	424
Income in advance	2,967	5,295
Taxes & social security costs	386	355
Other creditors	48	54
Accruals	188	315
Amounts due to group undertaking	4	93
	4,033	6,536

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31st August 2019

12 PROVISIONS

	Fees	Other	Total
	£000's	£000's	£000's
At 1 September 2018	92	151	243
Increases in provision	28	80	108
At 31 August 2019	120	231	351
Amounts are expected to be incurred; - within one year	120	231	351

The fee provision reflects refunds due where services provided or amounts charged differ from initial agreements. Other provisions include trade debtors, provision for untaken holiday, sickness provision and for employment disputes.

13 RESTRICTED & ENDOWED FUNDS

	Balance			Transfers	Gains on	Balance
	31-Aug-18	Income	Expenditure	in/(out)	Investments	31-Aug-19
	£000s	£000s	£000s	£000s	£000s	£000s
Endowed Funds						
Billesden Fund	534	-	-	-	2	536
Rossington Bursary Fund	935	-	-	-	-	935
Total Endowed funds	1,469	-	-	-	2	1,471
Specific appeals fund						
Specific equipment appeals	431	-	(95)	128	-	464
Specific building appeals	8,443	-	(285)	143	-	8,301
Total specific appeals fund	8,874	-	(380)	271	-	8,765
Other restricted funds						
Billesden Fund	20	13	(15)	-	-	18
Campbell Sports Fund	29	16	(16)	-	-	29
IMPact	29	14	(18)	-	-	25
Assistive technology	-	30	(30)	-	-	-
Transition	1	101	(102)	-	-	-
Motor Vehicles	101	55	(6)	-	-	150
Pushing the boundaries	24	11	(23)	-	-	12
Dietician	-	33	(33)	-	-	-
AAC, AT, Physio and other Equipment	64	143	(57)	(103)	-	47
Outdoor learning	24	5	(2)	-	-	27
Outdoor Learning Centre	-	218	-	-	-	218
Key Worker Accommodation	-	71	-	-	-	71
Campbell Court project	56	69	-	(125)	-	-
Rossington restricted legacy	1	5	-	-	-	6
Robotic arm	8	30	-	(38)	-	-
Other	84	107	(48)	(5)	-	138
	441	921	(350)	(271)	-	741
Total Restricted Funds	9,315	921	(730)	-	-	9,506

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31st August 2019

13 RESTRICTED & ENDOWED FUNDS (continued)

	Balance 31-Aug-17 £000s	Income £000s	Expenditure £000s	Transfers in/(out) £000s	Gains on Investments £000s	Balance 31-Aug-18 £000s
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
Dietician	-	52	(52)	-	-	-
AAC, AT, Physio and other Equipment	68	35	(39)	-	-	64
Outdoor learning	9	53	-	(38)	-	24
Rebound therapy room	-	51	(1)	(40)	-	10
Vision Sports	-	20		(20)	-	-
Campbell Court project	-	56	-	-	-	56
Rossington Bursary Fund	-	1	-	-	-	1
Robotic Arm	-	8	-	-	-	8
Other	78	55	(54)	(5)	-	74
	509	726	(387)	(407)	-	441
	9,310	726	(721)	-	-	9,315

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31st August 2019

13 RESTRICTED & 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 re-imburse 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 leavers in order to inform the priorities and direction of the transition strategy.
Campbell Sports Fund The Independent Mobility Project (IMPact)	enables students to participate in sailing and other sporting activities. provides the most appropriate wheelchair for every student in need at the College and the School, to give them optimum independence.
Assistive Technology fund Transition	supports assistive technology work carried out in the Trust. 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.
Dietician AAC, Assistive technology and physio equipment	supports the work of an on site dietician. 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.
Rebound Therapy room Vision Sports Campbell Court project Rossington Income Fund	funds raised for the conversion of a classroom into a rebound therapy room. funds raised retrospectively for the sports track and field. funds raised for the capital project being completed at our Independent Adult Living project. 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.
Robotic Arm	initial funds raised for the purchase of a robotic arm for the Assistive Technology department in 2018/19.
Outdoor Learning Centre	set up to raise funds for the new Centre to be built on campus to expand provision for students and externally.
Key Worker Accommodation	set up to raise funds to build a new staff living quarters on site.

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31st August 2019

14 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	2019 Unrestricted Funds £000s	2019 Restricted Funds £000s	2019 Endowed Funds £000s	2019 Total £000s	2018 Unrestricted Funds £000s	2018 Restricted Funds £000s	2018 Endowed Funds £000s	2018 Total £000s
Tangible fixed assets	16,129	8,765	-	24,894	16,081	8,874	-	24,955
Investments	6,994	-	475	7,469	6,897	-	494	7,391
Net current assets	2,411	741	996	4,148	2,771	441	975	4,187
Total assets less current liabilities	25,534	9,506	1,471	36,511	25,749	9,315	1,469	36,533
Provisions	(351)	-	-	(351)	(243)	-	-	(243)
Pension scheme liability	(10,620)	-	-	(10,620)	(7,955)	-	-	(7,955)
TOTAL NET ASSETS	14,563	9,506	1,471	25,540	17,551	9,315	1,469	28,335

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 £1,730,946 (2018: £1,483,795).

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 £238,612 (2018: £234,496).

As at 31 August 2019 contributions were being made into the scheme on behalf of 40 (2018: 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 £844,334 (2018: £671,299). At 31 August 2019 contributions were being made into the Scheme on behalf of 671 (2018: 649) members of staff.

Treloar Defined Benefit Pension Scheme

Treloar Trust (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 2018. This valuation revealed a funding shortfall of £9.1 million. In respect of the deficit in the Scheme as at 31 March 2018, the Trust has agreed to pay £540,000 pa for 19 years. This contribution will increase at 2.7%pa at each 1 July with the first increase due on 1 July 2020. The Trust therefore expects to pay £542,430 to the Scheme during the accounting year beginning 1 September 2019.

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31st August 2019

15 PENSIONS (continued)

PRINCIPLE ASSUMPTIONS		
	31-Aug-19 % pa	31-Aug-18 % pa
Discount rate	1.7	2.6
Retail Prices Index (RPI) Inflation	3.1	3.0
Consumer Prices Index (CPI) Inflation	2.1	2.0
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	3.0%	2.9%
Post 06 pension	2.2%	2.3%
Revaluation of deferred pensions in excess of GMP	2.1%	2.0%
Underpin to revaluation of scale pension (including GMP)	3.0%	3.0%
Retirement age and application of retirement factor adjustment	Assume retire at 60 with retirement factor adjustment applied for members still in service and under age 60 on 1 October 2007	Assume retire at 60 with retirement factor adjustment applied for members still in service and under age 60 on 1 October 2007
Mortality before and after retirement	102% (males)/110% (females) of S3PA CMI_2018_M/F [1.25%]	S2PA CMI_2017_M/F [1.25%]
Life expectancy of male aged 60 at balance sheet date	86.3	86.6
Life expectancy of male aged 60 in 20 years from balance sheet date	87.7	88.1
Life expectancy of female aged 60 at balance sheet date	88.2	88.6
Life expectancy of female aged 60 in 20 years from balance sheet date	89.7	90.2
For the avoidance of doubt the above assumptions are in absolute terms.		
Asset breakdown		
The fair value of the assets of the Scheme was:	31-Aug-19 £000's	31-Aug-18 £000's
Newton Managed Targeted Return Fund	11,773	11,762
Standard Life Global Absolute Return Strategies	2,584	2,834
Newton Global Dynamic Bond Fund	6,253	5,886
Standard Life Liability Aware Absolute Return Real	11,087	7,827
Annuities	1,506	1,666
Trustee bank account/NCA	182	150
Total	33,385	30,125

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31st August 2019

15 PENSIONS (continued)

Net defined benefit asset (liability)		
	31-Aug-19 £000s	31-Aug-18 £000s
Fair value of Scheme assets	33,385	30,125
Present value of defined benefit obligation	(44,005)	(38,080)
Defined benefit (liability) recognised in the balance sheet	(10,620)	(7,955)
Total expense recognised in Statement of Financial Activities		
	31-Aug-19 £000s	31-Aug-18 £000s
Administration expenses	250	231
Past Service Cost	195	163
Net interest on the net defined benefit liability	203	184
Total recognised in the Statement of Financial Activities	648	578
Total amounts taken to Other Comprehensive Income		
	31-Aug-19 £000s	31-Aug-18 £000s
Actuarial return on scheme assets less interest	3,388	(2,097)
Remeasurement (losses)/gains - actuarial (losses) and gains	(5,945)	2,017
Remeasurement (loss) recognised in Other Comprehensive Income	(2,557)	(80)
The return on assets was:		
	31-Aug-19 £000s	31-Aug-18 £000s
Interest income	772	765
Return on assets less interest income	3,388	(2,097)
Total return on assets	4,160	(1,332)

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31st August 2019

15 PENSIONS (continued)

Reconciliation to the Statement of Financial Position		
	31-Aug-19 £000s	31-Aug-18 £000s
Market value of assets	33,385	30,125
Present value of defined benefit obligation	(44,005)	(38,080)
Funded status	(10,620)	(7,955)
Irrecoverable surplus	-	-
Pension (liability) recognised in the Financial Statements	(10,620)	(7,955)
Changes in the present value of the defined benefit obligation		
	31-Aug-19 £000s	31-Aug-18 £000s
Present value of defined benefit obligation at beginning of period	38,080	40,099
Benefits paid including expenses	(1,190)	(1,114)
Past Service Cost	195	163
Interest cost	975	949
Remeasurement losses and (gains) - assumptions actuarial losses and (gains)	4,908	(1,953)
Remeasurement losses and (gains) - experience actuarial losses and (gains)	1,037	(64)
Present value of defined benefit obligation at end of period	44,005	38,080
Changes in the fair value of assets		
	31-Aug-19 £000s	31-Aug-18 £000s
Fair value of Scheme assets at the beginning of period	30,125	32,262
Interest income	772	765
Remeasurement gains and (losses) - Return on scheme assets excluding interest income	3,388	(2,097)
Contributions by Employer	540	540
Administration expenses	(250)	(231)
Benefits paid including expenses	(1,190)	(1,114)
Fair value of Scheme assets at the end of period	33,385	30,125

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31st August 2019

16 MOVEMENT ON UNRESTRICTED RESERVES

	Balance 01-Sep-18 £000s	Net income £000s	Transfers £000s	Gains and losses £000s	Balance 31-Aug-19 £000s
Unrestricted Fund held as Tangible Fixed Assets:					
– Property and Equipment Fund	16,083	-	(240)	-	15,843
Designated Fund: Repairs and Improvement Fund	396	-	(32)	-	364
General reserves	9,027	(323)	272	-	8,976
Defined benefit pension scheme fund	(7,955)	(108)	-	(2,557)	(10,620)
	17,551	(431)	-	(2,557)	14,563

	Balance 01-Sep-17 £000s	Net income £000s	Transfers £000s	Gains and losses £000s	Balance 31-Aug-18 £000s
Unrestricted Fund held as Tangible Fixed Assets:					
– Property and Equipment Fund	16,619	-	(536)	-	16,083
Designated Fund: Repairs and Improvement 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

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. It does not include assets under construction as these are not construed as being relevant for this reserve calculation as incomplete.

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 £215,000 of these within the next twelve months and all within two years.

17 ENTITLEMENT TO LEGACIES

The Trust is aware of possible future receipts from legacies, arising on deaths prior to 31 August 2019 where the exact sums are not quantifiable and these are believed to be in the order of £20,540 (2018: £7,750).

18 CAPITAL COMMITMENTS

As at 31 August 2019, there were no major capital commitments of the Trust (2018: nil).

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31st August 2019

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 incurred.

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 2019 to Treloar Enterprises Limited (TEL), the Trust’s trading subsidiary, by the Trust was £4,400 (2018: £91,854). Transactions between the Trust and TEL comprised £163,442 (2018: £141,655), including a donation of profits of £93,467 (2018: £31,224).

The Trust granted to TEL the head lease over flats at Campbell Court. In the year ended 31 August 2019 the Trust was due £60,480 (2018: £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.

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
James Bateson LLB
Rhys Iley
Brian McNamara BSc MBA
David Matthews JP BSc CA
Christine Slaymaker (resigned 30/06/2019)
Lady Win Normington CBE (appointed 23/04/2019)
John Paul Marks (appointed 29/05/2019)

HONORARY TRUSTEE

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

ROYAL PATRON

HRH The Countess of Wessex GCVO

PATRONS

Fiona Adler
Michael Aspel OBE
Bob Barrett
Dan Bentley
The Reverend Mark Birch
Stuart C Boreham
Lady Brewer (Tessa) OBE
Sir David Brewer KG CMG JP
Michael Campbell MBE DL
Michael Cassidy CBE BA MBA
Lord Chidgey of Hamble-le-Rice
Chris Childs
Christopher Dadson
Damon de Laszlo DL
Dan Eley
Julie Fernandez
Humphrey Hawksley
Suzanna Hext
Jane Macnabb
Maureen Marden
Bruce Powell MA
Mike Roberts
Canon Roger Royle
Ben Rushgrove
Admiral Sir Jock Slater GCB LVO DL
David Smith MBE
Roger Southam
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

Simon Birch BA MBA ACA Interim Chief Executive and
Company Secretary (appointed 18/10/2019)
Martin Ingram BSc PGCE Principal of Treloar School and College
Jon Colville BA DMS DipM Director of Fundraising
Karen Guest BSc MAPM Director of External Affairs
Kay Guy BSc FCIPD Head of Human Resources
Jessica Taplin Company Secretary (appointed 12/04/2019)
(resigned 18/10/2019)
Anthony Reid BA Company Secretary (resigned 12/04/2019)

BANKERS

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SOLICITORS

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"Thank you for everything – being at Treloar's
inspired me to be the person I have become."

Former student, Hatty



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A company limited by guarantee.
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