

Annual Report and Accounts

For the year ended 31 August 2022



Treloar Trust
Powell Drive, Holybourne,
Alton, Hampshire GU34 4GL

A company limited by guarantee.
Registered in England No. 04466362
Charity No. 1092857



Our Vision

A world where physically disabled young people take control of their lives and achieve their aspirations.

Our Mission

To enable physically disabled young people to achieve their aspirations by:

- Providing personalised learning, therapy and care
- Supporting transition into adulthood
- Promoting independence and inclusion

Our Values

We are inclusive

Everyone - regardless of physical ability, where they live or socioeconomic background - should have the opportunity to take part in life. We treat our beneficiaries with the same dignity as their non-disabled peers and work to remove barriers in their way.

Our students and beneficiaries are always at the centre of everything we do. Before we make decisions, we ask: *"How will our students and beneficiaries benefit from this?"*

We act with integrity and respect

Physically disabled young people should be free to direct their own lives. We listen to young people's views and support them to make age-appropriate choices about their daily life and informed choices about their future.

We celebrate and promote diversity, value and support each other, and treat everyone with respect. We support a culture of openness, honesty and transparency, where the safeguarding of our students and wellbeing of our staff is paramount.

We strive for excellence

Physically disabled young people and their families deserve outstanding care and support. We work to make sure all our services are excellent and actively challenge each other to ensure continuous quality improvement.

We continually innovate to ensure that our students and beneficiaries receive the cutting-edge, excellent support they deserve.



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Welcome

This last year has been a huge success, both in those areas where we were intending to make progress, and in dealing with new issues which inevitably come up in these ever-disrupted times.

Our education and care has remained at the highest level, with our school residential provision maintaining its Outstanding rating from Ofsted in the first in-person inspection since Covid lockdown. Most importantly our students have continued to reach the objectives set by themselves, and those working with them, to make progress in academic subjects, and in independence, vocational and life skills, according to their tailored individual curriculum. As we have emerged from Covid restrictions, work placements and other opportunities have started again, enriching the lives of our students and also the communities they are part of.

The challenges continue however. Those very much at the forefront this year include the national shortage of care and other staff. We have very occasionally had to limit some aspects of our service due to recruitment gaps. Thankfully due to an increased focus on recruitment, and particularly due to the restarting of recruitment from overseas, this pressure is starting to ease, but it will be ongoing for us to some extent as it is for any care provider. We are very discerning about our staff – to maintain our standards we have to be – which means we are really focusing now on staff retention and development.

Our next significant challenge will be managing the inflationary cost pressures faced by ourselves and Local Authorities as the main funders of our students' education. Thankfully, as you will see from our financial statements, we are stable financially, and well-managed.

This will be my final annual report letter as I am stepping down after nearly eight incredibly enjoyable and fulfilling years with Treloar's. This comes with sadness, but I am delighted to be handing the baton to one of my fellow Trustees, Dr Victor Olisa QPM, who will have the task of writing the Chair's letter next year.

Thank you to all

A handwritten signature in dark ink, appearing to read 'AAM', followed by a horizontal line.

Alistair Mackintosh, Chair of Trustees

ABOUT TRELOAR'S



TRELOAR'S IS ONE OF THE LEADING CENTRES OF EXCELLENCE FOR CHILDREN AND YOUNG PEOPLE WITH COMPLEX PHYSICAL DISABILITIES

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.

WHAT WE DO

We enable our students to follow a curriculum that meets their individual needs and to learn in an accessible, inclusive and safe environment. Thanks to the hard work of our teachers, therapists, nurses and a wide range of highly trained support staff, we are able to meet the physical and emotional needs of students, enabling them to enjoy greater independence and reach their educational goals.

Our Progress and Transition team help our students to achieve their aim of placement, whether it's being able to advocate for themselves more effectively, live independently, attend university, find employment or engage in their local community.

We are categorised as a special school and college. However, it is central to our approach that disabled people are supported to be part of wider society, not separated from it. Our aim is to enable disabled people to take control of their own lives in a world that better understands their needs.

COMPLEX DISABILITIES

Our students are physically disabled and most have very complex needs which cannot be met in mainstream settings. Many of the young people we help require round the clock support – and over half of our students stay in one of our five residential houses.

- 100% of our students are wheelchair users
- 63% of our students are non-verbal or require support from communication aids
- 45% of our students have a visual impairment
- 37% of our students have a life-limiting condition.

STRATEGIC 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 2022 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 2019).



The Charity is a registered charity (No.1092857) and a company limited by guarantee (No. 04466362). 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 43, 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 explaining the number and nature 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 the 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 currently has four main activities:

- Educating young people with physical disabilities
- Residential Care
- Clinical Services
- Outreach Services.

UPDATE ON PLANS AND DEVELOPMENTS

In our annual report for the year to August 2021, we set out our plans for 2021/22 and beyond. These plans, together with an update on progress during the year are described below:

Last year we believed we were starting to gradually emerge from the Covid crises and so our objectives for the year started to expand to meet emerging opportunities. Beyond our overriding objectives of ensuring the safety of all our students and staff, and ensuring our students receive the fullest and best quality education, therapy and care possible our objectives were:

- Maintain the school and college's reputation as Outstanding providers. In March Treloar's received another Outstanding rating from Ofsted for its school residential provision meaning that it remains rated as one of the very best providers in the country. Treloar's is also rated Outstanding in the School and College by Ofsted for its education provision as well as being rated Outstanding by the CQC for Treloar's care and residential provision.
- Continue to embed new student pathways and post-pandemic recovery at the School and College
This year we have continued to adapt the curriculum to meet individual needs with a particular focus on experiencing the world of work.
- Implement an updated package of recruitment and retention measures to enable Treloar's to support more young learners including taking on an international recruitment sponsorship license.
Staff recruitment has been very difficult over the past 12 months in line with the care sector more generally. Significant pay rises for lower paid and care staff started to address shortages later in the year as did the opening of new staff housing. We now have an international recruitment sponsorship licence, but care staffing continues to provide Treloar's with its greatest challenge.
- Improve outdoor learning opportunities with the provision of an expanded Outdoor Learning Centre and development of a Forest School.
Phase 1 of the outdoor learning centre was opened during the year and a Phase 2, a classroom, is now under construction. The Forest school was opened by HRH The

Countess of Wessex GCVO in September 2022.

also submitted a detailed response to the Government's draft SEND strategy, on



- Complete our Key worker accommodation development as part of our work to ensure staffing of evening and weekend provision. [The Key worker accommodation opened in September.](#)
- Enhance our 52 week offer in scale and in quality. [Unfortunately to make sure that we continue to be safely staffed in a difficult recruitment environment, we have suspended our 52 week provision. Instead and from 2022/23 we will be looking to build a short respite provision during the holidays.](#)
- Expanding our independent living options with new units in Alton town centre. [This initiative is on track and we expect to welcome our first residents to new units at Rivermead in the town centre in the summer of 2023.](#)
- Engage with local authorities to support beneficial measures arising from local strategies and the SEND Review. [We have engaged with all local authority partner teams to formulate how we might assist them in their wider strategies to support students in other settings. We](#)

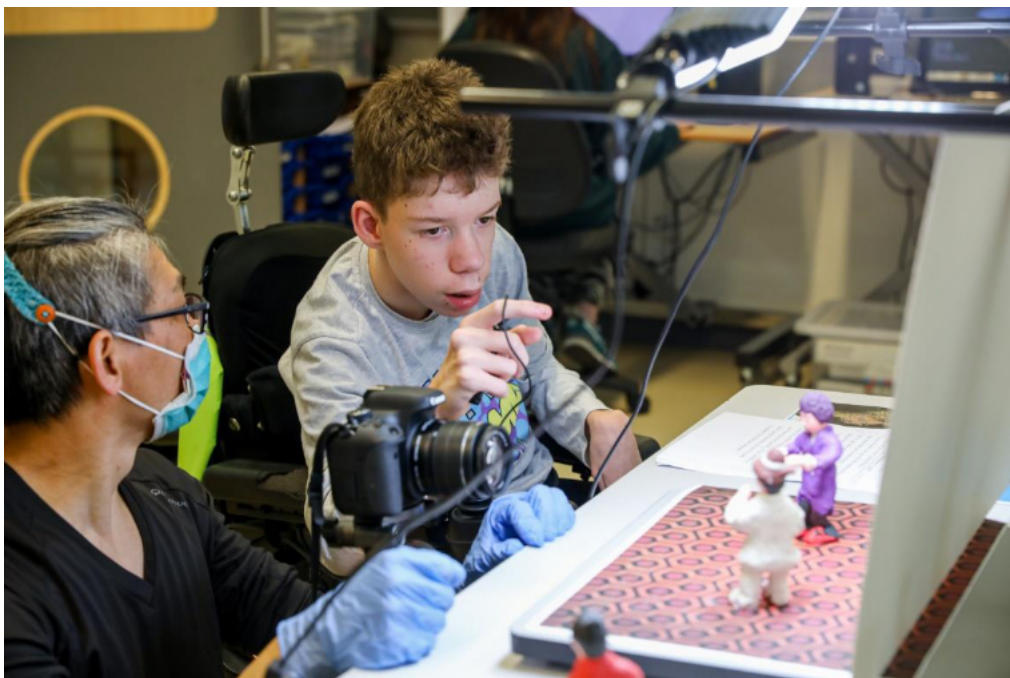
[behalf of disabled students with complex needs and the organisations like ourselves who serve them. These plans have since been put on hold by government.](#)

- Review our communications and core messaging, including refreshing our website and online presence. [We have agreed and enacted new core text and messaging, as well as refreshing aspects of our website, pending a re-build. Our social media channels have been extremely active with daily context showcasing the lives of our students and the work of the school and college.](#)
- 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 fulfilling life. [We continue to rebuild fundraising since the pandemic lockdown, holding in-person events such as our gala dinner in Mansion House of London. Thanks to the generosity of our donors we have completed or commenced several major projects including construction of our new key worker accommodation, a significant](#)

refurbishment of our swimming and our
new Outdoor learning centre.

We are expecting substantial challenges in 2022/23 born out of four external factors; firstly a staffing crises in care, secondly significant cost pressures in the labour and utilities markets, thirdly the real terms squeeze on local authority purses and finally the challenging fundraising environment. Despite these challenges we have many exciting plans and opportunities for the year ahead and our overriding objectives are:

- Further our excellence as a leading school and college for physically-disabled young people
- Implement further package of recruitment and retention measures to enable Treloar's to support more young learners including taking on an international recruitment sponsorship license.
- Improve outdoor learning opportunities with the opening of a classroom as a focal point for our new Outdoor Learning Centre and integrate the opportunities generated by the newly opened Forest School into the curriculum.
- Launch a summer holiday respite programme to our students.
- Contribute on a wider scale to the education and support of physically-disabled young people.
- We will continue to enable the voice of our students to be heard, working with other charities in the disability sector to ensure that they can contribute to campaigns for better inclusion in wider society.
- Develop future living options for disabled people who have left full-time education. This will include advising and partnering with housing providers and others to stimulate new developments.
- Expanding our independent living options for people who have left full time education with the opening of new units in Alton Town Centre and completing feasibility studies of at least one other opportunity.
- Refreshing and updating our brand identity and building a new website.
- Progress environmental projects as part of our goal to halve our carbon footprint by 2030.
- 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.



Financial Review

In 2021/22 the Treloar's delivered a small net income of £7k (2021: £804k), before actuarial gains of £3.71m, (2021: £2.27m) on a turnover of £26.0m (2021: £25.7m).

Staff recruitment was challenging in the year as we readjusted to the demands of Brexit and a more general recruitment malaise in social care. As a direct result we chose to defer some student start dates beyond the year end meaning that student numbers actually fell with college one lower by the year end at 88 relative to July 2021 (plus 2 interns) and school finishing the year 5 lower at 74. As a result income from charitable activities fell by 0.6% to £23.6m (2021: £23.8m). Donations and legacies increased by 21% to £1.47m (2021: £1.22m), as fundraising activities stepped up post Covid. Event income, whilst remaining below historic levels grew at a similar rate to £94k (2021: £79k) helping other fundraising activities to nudge upwards to £296k (2021: £287k).

Whilst total income was up marginally, expenditures were contained and actually fell by 0.6% to £26.0m (2021: £26.2m). Much of the reason for this fall was down to a fall in average staff numbers, down 44 to 832, which offset increases in salary levels particularly amongst care staff.

Except for the performance of investments, the net income performance was slightly better than in 2021. The performance of our investments was flat in 2022 but still beat that of markets generally, but was well behind the strong gains made on investments in 2021 - £47k against £1.24m. A substantial actuarial gain on the Defined Benefit Pension Scheme of £3.71m (2021: £2.27m) allowed the charity's total funds to grow by £3.71m to

£30.4m. This actuarial gain reflected a fall in the funds future liabilities.

The only other balance sheet and cash flow highlight relates to the addition of a new building (Key worker accommodation) together with a £1m loan to part finance this build. The build was completed without drawing on investments meaning that net current assets reduced by £2.03m to £585k.

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

During the year to 31 August 2022, TEL made an operating profit of £73k (2021: £21k) a combination of increased lettings income and shop income as more people are once again on site each week post Covid. This profit was donated to Treloar Trust. The Treloar 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.

General reserves are deemed to be those that are readily realisable less funds whose use is restricted or designated for a particular purpose. Thus the calculation of general reserves excludes property and other fixed assets that continue to be used in the day to day operation of Treloar's and in particular the buildings used by the school and college.

The designated fund primarily 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 rose during the year to £19.5m (2021: £16.7m) because of new building works, most notably the construction of the new Key worker accommodation. Restricted Funds £9.90m (2021: £9.60m) represent monies received for a restricted purpose with the vast majority of these funds linked to specific building appeals £8.35m (2021: £8.51m). Endowed funds £1.63m (2021: £1.66m) are made up of the Rossington Fund £944k (2021: £1.01m) and Billesden Fund £690k (2021: £652k) and are given to help students access education and to help monitor and support 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 2021/22 total future obligations reduced by £13.4m to £31.9m and the value of assets fell

by £9.4m to £25.5m with most of the fall in asset value associated with instruments designed to hedge future obligations. Overall, the net deficit reduced to £6.41m.

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 over 3 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 2022, the General Reserve was £5.78m (2021: £9.07m), equivalent to just under 3 months. This figure is over 3 months if long term finance is factored in. The Trustees consider this level of general reserves to be adequate at this time.



Key Policies

Risk Management

Treloar'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 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, helping key workers with accommodation and by actively listening to our staff and, where necessary, providing support and/or flexible working patterns.
- Nursing, medical and dietary errors, which we manage by maintaining a highly specialised nursing team and dieticians, strict protocols over medication management, food labelling 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.
- Promotion of a safety conscious culture led by a Health & Safety Manager, governed by Policy & Training and including a comprehensive Compliance Register.
- 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 committee.
- Pension fund requires additional support from the Trust. The Pension Trustee 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 Regulations and ensuring we have appropriate backup and data recovery systems.
- Funding inadequacy per student. We provide full clarity to our funders of our fees and demonstrate how the necessities of all moneys spent and value added. None-the-less we are aware of the cost pressures facing local authorities.

- Supplier disruption and inflation, Brexit, labour and energy shortages and market uncertainties have impacted supply chains and increased costs. Where we can we mitigate risks by hedging costs and by maintaining adequate stock levels of critical supplies and developing contingency plans.
- Treloar's is named in the on-going statutory inquiry into the provision of infected blood. It has been notified of the potential for future litigation although no court proceedings have been issued against the charity.

Equal Opportunities

The advancement of diversity and inclusion is part of Treloar's core 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. Treloar's will not tolerate unfair or unlawful treatment on the grounds of age, disability, gender, transgender, marital status, race, colour, ethnic origin, socio-economic 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.

Treloar's aims to foster a values-based culture focused on diversity and inclusivity and as such, we report on our gender pay gap annually. In April 2022 our mean gender pay gap was 4.7% (2020: -1.8%) and median was -6.5% (2020: -7.5%). Additionally we are choosing to report on our Black, Asian and Minority Ethnic and (declared) disability pay gap for the first time. The Black, Asian and Minority Ethnic mean pay gap was 12.8% (2020: 13.0%) and median was 8.0% (2020: 9.4%) indicating employees from such backgrounds earn less than those from a white background. The disability mean pay gap was 6.1% (2020: 5.8%) and the median was 3.6% (2020: 5.2%) which shows disabled employees are paid less than non-disabled employees.

These reports highlight the importance of a continued commitment towards encouraging application and progression from applicants/employees with disabilities and with Black, Asian and Minority Ethnic backgrounds to address differentials.

We remain committed to ensuring that all staff receive equal pay for equal work and are confident employees at Treloar's are treated equally in terms of pay on appointment and throughout their careers.



Communicating with Staff and Volunteers

Internal communication is a key driver of engagement and feedback at Treloar's.

This communication includes: a regular communication of key matters from the leadership via the Trust's intranet, a half-termly '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.

Environmental & Sustainability

Alongside delivering on the charity's objects, we are committed to improving our sustainability and ethical impact more generally. Our primary environmental goal is to cut the greenhouse gas that we generate on our campus by 50% by 2030. This goal is complimented by two secondary goals to contribute to the reduction of emissions by others (e.g. by changing behaviours) and reducing non recyclable waste. Steps taken include:

- Delivering on actions from a recent ESOS (energy saving opportunity scheme) audit.
- Expand 'cycle to work' and bike loan schemes, removed single use plastics wherever viable and increased our recycling programme. Staff and students are involved wherever possible through the Eco council and achieved Green Flag status in July.
- Develop metrics to measure key indicators such as measuring the units of gas and non-solar electricity we consume, counting the number of petrol and diesel vehicles entering our site daily, counting the



amount of single use plastics consumed and measuring volumes of recycling so as to set targets and manage.

- Additionally in 2022/23 we will introduce a car sharing scheme, install vehicle charging points, replace one of our buses with an electric vehicle, add to the volume of solar paneling, open Treloar's first building with ground source heating and open a Forest School. We will also use the metrics we are now collecting to steer our developing strategy.

Fundraising Statement

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

The legislation defines fundraising as 'soliciting or otherwise procuring money or other property for charitable purposes'. Such amounts receivable are presented in our financial statements as 'donations and legacies' and as 'Other fundraising activities' which includes income from our lottery and events. The day-to-day management of all income generation is delegated to the executive team, who are accountable to the Trustees. The Charity is not bound by any regulatory scheme. However the Charity has voluntarily registered with the Fundraising Regulator and complies with the regulator's codes of practice. We have received 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

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...'.

In the year we split our investment Portfolio between Ruffer LLP and Cazenove Capital with both investment managers adopting a total return basis to investment policy. Both are targeted to provide a return of RPI plus 4% after fees have been taken into account. Our investments have performed creditably with a small growth of £290k (2021: £1.24m) being achieved in spite of turbulent market conditions.

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, Apex Group. Apex 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.

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 (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 regularly reviews 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 Teloar's 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.

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;

- 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 Annual Report and Accounts, incorporating the Strategic Report, were approved by the Trustees in their capacity as Directors of the Company on 23 January 2023 and signed on their behalf.



Dr Victor Olisa QPM, Chair of Trustees



Audit Report

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRELOAR TRUST

Opinion on the financial statements

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 2022 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Treloar Trust ("the Charitable Company") for the year ended 31 August 2022 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).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Charitable Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including

the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions related to going concern

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

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

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our

report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other Companies Act 2006 reporting

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.

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 Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept Charitable Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Charitable Company 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 Trustees' responsibilities statement, 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 determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.:

- Discussed with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud meetings of those charged with governance, reviewing correspondence with HMRC and the ESFA to identify any actual or potential frauds or any potential weaknesses in internal control which could result in fraud susceptibility
- Reviewed items included in the fraud register
- Challenged assumptions made by management in their significant accounting estimates
- In addressing the risk of fraud, including the management override of controls and improper income recognition, we tested the appropriateness of certain manual

journals, reviewed the application of judgements associated with accounting estimates for the indication of potential bias and tested the application of cut-off and revenue recognition.

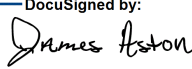
Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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

DocuSigned by:

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James Aston (Senior Statutory Auditor)

For and on behalf of BDO LLP, statutory auditor

Gatwick, West Sussex, UK

14 February 2023

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



STATEMENT OF FINANCIAL ACTIVITIES (including the Income and Expenditure Account)
YEAR ENDED 31 AUGUST 2022

	Note	Unrestricted £000s	Restricted £000s	Endowed £000s	2022 Total £000s	Unrestricted £000s	Restricted £000s	Endowed £000s	2021 Total £000s
Income from:									
Donations and legacies	2	469	1,003	-	1,472	527	694	-	1,221
Charitable activities									
Teaching		8,250	-	-	8,250	8,495	-	-	8,495
Medical		5,142	-	-	5,142	5,160	-	-	5,160
Care		10,244	-	-	10,244	10,118	-	-	10,118
Total income from charitable activities		23,636	-	-	23,636	23,773	-	-	23,773
Income from other trading activities									
Other fundraising activities	2	296	-	-	296	287	-	-	287
Rent	3	300	-	-	300	348	-	-	348
Total income from other trading activities		596	-	-	596	635	-	-	635
Investment income	4	267	-	-	267	103	-	-	103
Total income		24,968	1,003	-	25,971	25,038	694	-	25,732
Expenditure on:									
Raising funds		677	7	-	684	601	8	-	609
Charitable activities									
Teaching		7,832	293	-	8,125	8,085	259	-	8,344
Medical		5,059	133	-	5,192	5,252	188	-	5,440
Care		11,745	264	-	12,009	11,541	233	-	11,774
Total expenditure on charitable activities		24,637	690	-	25,327	24,878	680	-	25,558
Total expenditure	5	25,314	697	-	26,011	25,479	688	-	26,167
Net gains/(losses) on investments	7	77	-	(30)	47	1,097	-	142	1,239
Net (expenditure)/income		(269)	306	(30)	7	656	6	142	804
Actuarial gain on defined benefit scheme	15	3,707	-	-	3,707	2,268	-	-	2,268
Net movement in funds		3,438	306	(30)	3,714	2,924	6	142	3,072
Total funds brought forward		15,443	9,596	1,664	26,703	12,519	9,590	1,522	23,631
TOTAL FUNDS CARRIED FORWARD		18,881	9,902	1,634	30,417	15,443	9,596	1,664	26,703

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 25 to 41 form part of these financial statements.

BALANCE SHEET AS AT 31 AUGUST 2022

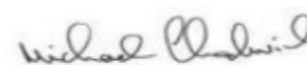
	Note	2022 £000s	2021 £000s
Fixed assets			
Tangible fixed assets	8	27,456	24,820
Investments	9	10,597	10,397
Total fixed assets		<u>38,053</u>	<u>35,217</u>
Current assets			
Stock		9	9
Debtors	10	6,945	7,229
Investments	9	24	24
Cash at bank and in hand		3,002	3,389
Total current assets		<u>9,980</u>	<u>10,651</u>
Liabilities			
Creditors: Amounts falling due within one year	11	(9,395)	(8,033)
Net current assets		<u>585</u>	<u>2,618</u>
Total assets less current liabilities		<u>38,638</u>	<u>37,835</u>
Creditors; due after more than one year; bank loans and overdrafts	11	(944)	-
Provision for liabilities and charges	12	(868)	(794)
Net assets excluding pension scheme liability		<u>36,826</u>	<u>37,041</u>
Defined benefit pension scheme liability	15	(6,409)	(10,338)
NET ASSETS		<u><u>30,417</u></u>	<u><u>26,703</u></u>
The funds of the charity			
Restricted Funds	13	9,902	9,596
Endowed Funds	13	1,634	1,664
Designated funds	16	19,507	15,867
General reserves	16	5,783	9,914
Defined benefit pension scheme fund	15	(6,409)	(10,338)
Unrestricted funds	16	<u>18,881</u>	<u>15,443</u>
TOTAL FUNDS		<u><u>30,417</u></u>	<u><u>26,703</u></u>

Approved by the Board of Trustees on the 23rd January 2023 and signed on its behalf by

Dr Victor Olisa
Trustee



Michael Chadwick
Trustee



Company registration number: 4466362

The notes on pages 25 to 41 form part of these financial statements

CASHFLOW STATEMENT

YEAR ENDED 31 AUGUST 2022

	2022 £000s	2021 £000s
Reconciliation of net income/(expenditure) to net cash flow from operating activities		
Net income for the reporting period (as per the statement of financial activities)	7	804
Adjustments for:		
Depreciation charges	1,321	1,276
Net gains on investments (including investment property)	(47)	(1,239)
Investment income shown in investing activities	(267)	(103)
Decrease in stock	-	1
Decrease/(Increase) in debtors	284	(6,232)
Increase in creditors due within one year	1,362	6,038
Increase in creditors due over one year	944	-
Increase in provisions for liabilities and charges	74	217
Net (repayments) for defined benefit pension scheme	(222)	(109)
Net cash provided by operating activities	3,456	653
Statement of cash flows		
Cash flows from operating activities		
Net cash provided by operating activities	3,456	653
Cash flows from investing activities		
Investment income	267	103
Purchase of tangible fixed assets	(3,957)	(1,496)
Proceeds of sale of investment (including investment property)	4,224	6,258
Purchase of investments	(4,480)	(7,242)
Net cash used in investing activities	(3,946)	(2,377)
Change in cash and cash equivalents in the reporting period	(490)	(1,724)
Cash and cash equivalents at the beginning of the reporting period	3,793	5,517
Cash and cash equivalents at the end of the reporting period	3,303	3,793
Analysis of cash and cash equivalents		
Cash at bank and in hand	3,002	3,389
Current asset investments	24	24
Cash equivalents held in fixed asset investments	277	380
	3,303	3,793

The notes on pages 25 to 41 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

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 2019'), 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.

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 (even after considering the impact of Covid 19) and thus it is appropriate to prepare the financial statements on a going concern basis.

Treloar Trust is a private company limited by guarantee, incorporated in England and Wales, and 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 2022. 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 income is 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 including events and lottery

- i) Donations, event and lottery income 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) Grant income

Grant income is credited to the Statement of Financial Activities on an accruals basis where applicable.

f) Investment income

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

1 ACCOUNTING POLICIES (*Continued*)

g) Rental income

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

h) Expenditure

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

Support costs are those which provide indirect support to the Trust and School and College e.g. finance,

i) Operating leases

Rentals payable are charged on a time basis over the term of the lease.

j) 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: -

Freehold 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

k) Investment assets

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

1 ACCOUNTING POLICIES (*Continued*)

l) Stocks

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

m) 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.

n) 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.

o) 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.

p) 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.

q) 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.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2022

2 DONATIONS, LEGACIES, GRANTS AND OTHER FUNDRAISING INCOME

	2022			2021		
	Income £000s	Direct Expenditure £000s	Support Costs £000s	Income £000s	Direct Expenditure £000s	Support Costs £000s
Gifts and legacies						
Unrestricted	469			509		
Restricted	1,003			694		
Grants - Coronavirus Job Retention Scheme	-			18		
Total	1,472	433	83	1,221	379	78
Events	94	48	9	79	34	7
Lottery	202	93	18	208	92	19
Total	1,768	574	110	1,508	505	104

3 RENT

	2022 £000s	2021 £000s
Lettings income	80	80
Estate rents and wayleaves	220	268
	300	348

All items relate to unrestricted activities.

4 INVESTMENT INCOME

	Unrestricted Funds £000s	Restricted Funds £000s	Total 2022 £000s	Unrestricted Funds £000s	Restricted Funds £000s	Total 2021 £000s
Income from trading subsidiary	78	-	78	21	-	21
Income from listed investments	188	-	188	81	-	81
Interest receivable	1	-	1	1	-	1
	267	-	267	103	-	103

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2022

5 EXPENDITURE

	Direct				Direct			
	Staff Costs £000s	Other Costs £000s	Support Costs £000s	Total 2022 £000s	Staff Costs £000s	Other Costs £000s	Support Costs £000s	Total 2021 £000s
Raising funds	349	225	110	684	341	164	104	609
Charitable activities								
Teaching	5,122	451	2,552	8,125	5,578	359	2,407	8,344
Medical	3,757	166	1,269	5,192	3,639	604	1,197	5,440
Care	7,428	221	4,360	12,009	7,393	269	4,112	11,774
Total charitable activities	16,307	838	8,182	25,327	16,610	1,232	7,716	25,558
TOTAL EXPENDITURE	16,656	1,063	8,292	26,011	16,951	1,396	7,820	26,167

The support costs can be analysed as follows;

	2022					2021				
	Raising Funds £000s	Teaching £000s	Medical £000s	Care £000s	Total £000s	Raising Funds £000s	Teaching £000s	Medical £000s	Care £000s	Total £000s
Facilities	38	885	440	1,512	2,876	38	878	436	1,499	2,851
Depreciation	18	407	202	695	1,322	17	393	195	671	1,276
Finance and Payroll	6	130	65	223	424	5	118	59	201	383
HR and Training	12	282	140	481	915	11	258	128	441	838
IT	10	230	114	392	746	9	206	102	351	668
Transport	3	73	36	125	237	3	65	32	111	212
Governance	16	367	182	626	1,191	13	299	149	511	971
Misc	8	179	89	306	582	8	191	95	327	621
	110	2,552	1,269	4,360	8,292	104	2,407	1,197	4,112	7,820

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 £6,306 (2021: £6,238) 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.

	2022 £000s	2021 £000s
Total auditor's remuneration is made up as follows:		
Audit (for the Charity, School and College)	52	57
Other services	4	4
	56	61

6 STAFF COSTS AND TRUSTEE EXPENSES

	2022 £000s	2021 £000s
Total staff costs for the year were as follows:		
Wages and salaries	16,950	17,380
Termination payments	30	10
Employer's NIC	1,363	1,317
Employer's pension costs	1,855	1,787
	20,198	20,494

Not included in the above are benefits in kind amounting to £8,259 (2021: £8,873), which were received by staff during the year. Termination payments are in the form of a redundancy payment made on the reorganisation of one department during the year.

	2022 £000s	2021 £000s
Employer's pension costs comprise the following:		
Teachers pension scheme (Note 15)	381	505
Employer contribution to Treloar group personal pension scheme (Note 15)	1,086	835
Defined benefit pension scheme		
Expected interest cost less expected return (Note 15)	387	447
	1,854	1,787

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2022

6 STAFF COSTS AND TRUSTEE EXPENSES (*continued*)

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

	Full Time Equivalents	
	2022	2021
Teaching	162	185
Medical	90	92
Care (inc catering)	287	316
Facilities and ancillary	78	82
Fundraising	8	8
Marketing	2	1
Outreach projects	-	1
	627	685
Total average employees by headcount.	832	876

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

	2022	2021
£60,001 to £70,000	-	3
£70,001 to £80,000	1	-
£80,001 to £90,000	3	-
£110,001 to £120,000	1	1
£120,001 to £130,000	-	-
£150,001 to £160,000	1	-
£160,001 to £170,000	1	1

The total amount of employee benefits received by key management personnel for their services during the year is £446,544 (2021: £432,455). Key management is deemed to be the CEO, Principal and FD.

Four of the above members of staff accrued benefits under the Treloar group personal pension scheme and £44,864 (2021: £44,653 - four) 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 (2021: Nil). Two Trustees were reimbursed £374 during the period for travel and other costs incurred in connection with the work of the charity (2021: one trustee - £174).

7 GAINS AND LOSSES ON INVESTMENTS

	Unrestricted Funds £000s	Endowed Funds £000s	Total 2022 £000s	Unrestricted Funds £000s	Endowed Funds £000s	Total 2021 £000s
Listed investments	200	28	228	908	59	967
Unrealised gains on investment property	7	-	7	46	-	46
Unrealised (loss)/gain on listed investments	(130)	(58)	(188)	143	83	226
	77	(30)	47	1,097	142	1,239

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2022

8 TANGIBLE FIXED ASSETS

Cost	Opening Balance £000s	Additions/ Transfers £000s	Disposals £000s	Closing Balance £000s
Freehold land and buildings	35,701	468	-	36,169
Plant, machinery and motor vehicles	5,127	289	-	5,416
Assets under construction	841	3,200	-	4,041
	41,669	3,957	-	45,626
Depreciation	Opening Balance £000s	Charge for Year £000s	Released on Disposal £000s	Closing Balance £000s
Freehold land and buildings	(13,014)	(957)	-	(13,971)
Plant, machinery and motor vehicles	(3,835)	(364)	-	(4,199)
Assets under construction	-	-	-	-
	(16,849)	(1,321)	-	(18,170)
Net Book Value	Opening Balance £000s	Additions less charges £000s	Disposals £000s	Closing Balance £000s
Freehold land and buildings	22,687	(489)	-	22,198
Plant, machinery and motor vehicles	1,292	(75)	-	1,217
Assets under construction	841	3,200	-	4,041
	24,820	2,636	-	27,456

Additions/Transfers include £194,000 transferred from Assets under construction to Land and Buildings following completion of projects during the year.

9 INVESTMENTS

Fixed asset investments

	Total 2022 £000s	Total 2021 £000s
Listed investments - UK	3,556	3,804
Listed investments - non-UK	6,097	5,553
Investment properties	623	616
Subsidiaries and associated undertakings	25	25
Unlisted investments	19	19
Bank deposits	277	380
	10,597	10,397

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2022

9 INVESTMENTS *(continued)*

Current asset investments

	Total 2022 £000s	Total 2021 £000s
UK Investments - Deposits	24	24

Listed investments

	Total 2022 £000s	Total 2021 £000s
Market value of assets as at 1 September	9,357	7,181
Additions	4,480	7,242
Disposal proceeds	(4,224)	(6,257)
Net unrealised investment (losses)/gains	(188)	225
Net realised investment gains	228	966
Market value of assets as at 31 August	<u>9,653</u>	<u>9,357</u>

Historical cost as at 31 August	<u>9,058</u>	<u>8,575</u>
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Investment Properties (all UK)

	Total 2022 £000s	Total 2021 £000s
Valuation at 1 September	616	570
Revaluation	7	46
Valuation at 31 August	<u>623</u>	<u>616</u>
Historical cost as at 31 August	<u>126</u>	<u>126</u>

The Trustees have revalued Howards Farm at £480,526, based on the long term yield value of the property.
The Trustees have revalued The Vale, Shirley at £142,500, 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

	Total 2022 £000s	Total 2021 £000s
Cost and valuation at 31 August	<u>19</u>	<u>19</u>

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

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2022

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 on line.

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

	Total 2022 £000s	Total 2021 £000s
Turnover	213	156
Cost of sales	(133)	(128)
Gross profit	80	28
Administration expenses	(7)	(7)
Profit on ordinary activities before taxation and interest	73	21
Taxation	-	-
Profit on ordinary activities after taxation	73	21
Gift aided payment - qualifying charitable donation	(73)	(21)
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

	2022 £000s	2021 £000s
Fees billed in advance	6,283	5,812
Trade debtors	81	880
Other debtors	59	91
Prepayments	522	437
Amounts due from group undertaking	-	9
	6,945	7,229

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

11 CREDITORS: Amounts falling due within one year

	2022 £000s	2021 £000s
Trade creditors	1,133	470
Income in advance	7,219	6,529
Taxes & social security costs	410	424
Other creditors	116	64
Accruals	458	546
Amounts due to group undertaking	3	-
Bank loans and overdrafts	56	-
	9,395	8,033

The bank loan is for £1million taken out during the year to assist with the development of the Key Worker Accomodation. It is repayable within five years of the balance sheet date and is secured on part of the site.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2022

12 PROVISIONS

	Fees	Other	Total
	£000's	£000's	£000's
At 1 September 2021	463	331	794
(Decreases)/Increases in provision	(12)	86	74
At 31 August 2022	451	417	868
Amounts are expected to be incurred; - within one year	451	417	868

Provisions include trade debtors, provision for untaken holiday, sickness provision and for employment disputes and where, due to extenuating circumstances, queries may be raised over services provided.

13 RESTRICTED & ENDOWED FUNDS

	Balance 31-Aug-20 £000s	Income £000s	Expenditure £000s	Transfers in/(out) £000s	Gains on Investments £000s	Balance 31-Aug-21 £000s
Endowed Funds						
Billesden Fund	587	-	-	-	65	652
Rossington Bursary Fund	935	-	-	-	77	1,012
Total Endowed funds	1,522	-	-	-	142	1,664
Specific appeals fund						
Specific equipment appeals	526	-	(113)	143	-	556
Specific building appeals	8,011	-	(303)	248	-	7,956
Total specific appeals fund	8,537	-	(416)	391	-	8,512
Other restricted funds						
Billesden fund	19	21	(20)	-	-	20
Campbell sports fund	31	9	(8)	-	-	32
IMPact	20	42	(9)	-	-	53
Assistive technology	-	26	(26)	-	-	-
Transition	-	85	(85)	-	-	-
Motor Vehicles	137	-	-	-	-	137
Pushing the boundaries	14	-	-	-	-	14
Dietician	-	25	(25)	-	-	-
AAC, AT, Physio and other Equipment	99	83	(15)	(20)	-	147
Outdoor learning	26	19	(1)	(28)	-	16
Outdoor Learning Centre	349	99	-	(248)	-	200
Key Worker Accommodation	103	22	-	-	-	125
FT Hall	-	141	-	-	-	141
PPE	-	42	(42)	-	-	-
Rossington restricted legacy	9	10	-	-	-	19
Acoustic Monitoring	95	-	-	(95)	-	-
Other	151	69	(40)	-	-	180
	1,053	693	(271)	(391)	-	1,084
Total Restricted Funds	9,590	693	(687)	-	-	9,596

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2022

13 RESTRICTED & ENDOWED FUNDS

	Balance 31-Aug-21 £000s	Income £000s	Expenditure £000s	Transfers in/(out) £000s	Gains/(losses) on Investments £000s	Balance 31-Aug-22 £000s
Endowed Funds						
Billesden Fund	652	-	-	-	38	690
Rossington Bursary Fund	1,012	-	-	-	(68)	944
Total Endowed funds	1,664	-	-	-	(30)	1,634
Specific appeals fund						
Specific equipment appeals	556	-	(126)	124	-	554
Specific building appeals	7,956	-	(318)	157	-	7,795
Total specific appeals fund	8,512	-	(444)	281	-	8,349
Other restricted funds						
Billesden fund	20	8	(19)	-	-	9
Campbell sports fund	32	12	(15)	-	-	29
IMPact	53	25	(16)	-	-	62
Assistive technology	-	15	(15)	-	-	-
Transition	-	60	(60)	-	-	-
Motor Vehicles	137	188	-	(106)	-	219
Pushing the boundaries	14	-	(14)	-	-	-
Dietician	-	25	(25)	-	-	-
AAC, AT, Physio and other Equipment	147	60	(10)	-	-	197
Outdoor learning	16	5	(3)	-	-	18
Outdoor Learning Centre	200	186	-	-	-	386
Key Worker Accomodation	125	-	-	-	-	125
FT Hall	141	16	-	(157)	-	-
Rossington restricted legacy	19	38	-	-	-	57
Swimming Pool	-	279	-	-	-	279
Learner Tech salary	-	40	(40)	-	-	-
Baths	-	18	-	(18)	-	-
Other	180	28	(36)	-	-	172
	1,084	1,003	(253)	(281)	-	1,553
Total Restricted Funds	9,596	1,003	(697)	-	-	9,902

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.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2022

13 RESTRICTED & ENDOWED FUNDS (*continued*)

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

RESTRICTED FUNDS

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

Specific appeals fund – capital funds from appeals for new buildings and specific equipment including the 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 – enables students to participate in sailing and other sporting activities.

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

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

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

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

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

Dietician – supports the work of an on site dietician.

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

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

Outdoor Learning Centre - set up to raise funds for the new Centre to be built on campus to expand provision for students and external visitors.

Key Worker Accommodation - set up to raise funds to build new staff living quarters on site.

FT Hall - funds raised for the renovation of the Florence Treloar Hall.

Swimming Pool - funds raised in order to refurbish the site's swimming facilities.

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

Baths - funds raised for the purchase of new Parker baths for the houses as updating is needed regularly.

Learner Tech salary - funds raised to cover the salary of the learner technology department to help students in class with their IT needs.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2022

14 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	2022			
	Unrestricted Funds £000s	Restricted Funds £000s	Endowed Funds £000s	Total £000s
Tangible fixed assets	19,107	8,349	-	27,456
Investments	8,963	-	1,634	10,597
Net current assets	(968)	1,553	-	585
Total assets less current liabilities	27,102	9,902	1,634	38,638
Creditors due over one year	(944)	-	-	(944)
Provisions	(868)	-	-	(868)
Pension scheme liability	(6,409)	-	-	(6,409)
TOTAL NET ASSETS	18,881	9,902	1,634	30,417

	2021			
	Unrestricted Funds £000s	Restricted Funds £000s	Endowed Funds £000s	Total £000s
Tangible fixed assets	16,308	8,512	-	24,820
Investments	8,733	-	1,664	10,397
Net current assets	1,534	1,084	-	2,618
Total assets less current liabilities	26,575	9,596	1,664	37,835
Provisions	(794)	-	-	(794)
Pension scheme liability	(10,338)	-	-	(10,338)
TOTAL NET ASSETS	15,443	9,596	1,664	26,703

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 £1,854,995 (2021: £1,745,434).

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 £381,388 (2021: £505,203).

As at 31 August 2022 contributions were being made into the scheme on behalf of 60 (2021: 47) members of staff. The last actuarial valuation dated March 2018 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 £1,086,607 (2021: £835,231).

At 31 August 2022 contributions were being made into the Scheme on behalf of 808 (2021: 821) members of staff.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2022

15 PENSIONS (*continued*)

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 2021. This valuation revealed a funding shortfall of £12.1 million. In respect of the deficit in the Scheme as at 31 March 2021, the Trust has agreed to pay £569,554 per annum payable monthly from 1 March 2022 until 30 June 2022, then £804,000 per annum payable in equal monthly instalments for a period of 16 years 2 months from 1 July 2022. The contribution will increase at 2.7%pa at each 1 July with the first increase due on 1 July 2022. The Trust therefore expects to pay £807,618 to the Scheme during the accounting year beginning 1 September 2022.

Principal assumptions

	31-Aug-22 % pa	31-Aug-21 % pa
Discount rate	4.2	1.6
Retail Prices Index (RPI) Inflation	3.5	3.3
Consumer Prices Index (CPI) Inflation	2.8	2.6
Rate of increase to pensions in payment:		
Pre 88 GMP	0.0%	0.0%
Post 88 GMP	2.3%	2.3%
Pre 97 XS	0.0%	0.0%
97-06 pension	3.4%	3.2%
Post 06 pension	2.3%	2.3%
Revaluation of deferred pensions in excess of GMP	2.8%	2.6%
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	
Mortality before and after retirement	100% S3PMA_Middle/100% S3PFA_Middle CMI 2021 [1.25%]	100% S3PMA_Middle/100% S3PFA_Middle CMI 2020 [1.25%]
Life expectancy of male aged 60 at balance sheet date	85.9	85.8
Life expectancy of male aged 60 in 20 years from balance sheet date	87.4	87.4
Life expectancy of female aged 60 at balance sheet date	88.6	88.5
Life expectancy of female aged 60 in 20 years from balance sheet date	90.1	90.1

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

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2022

15 PENSIONS (*continued*)

Asset breakdown

The fair value of the assets of the Scheme was:

	31-Aug-22 £000's	31-Aug-21 £000's
M&G Total Return Credit Fund	2,153	2,264
Baillie Gifford Multi Asset Growth Fund	2,098	4,989
BNY Mellon Sustainable Global Dynamic Bond Fund	3,464	3,691
Partners Fund	3,923	3,745
LGIM Future World Fund	3,890	4,288
LGIM Future World Fund - GBP Hedged	1,787	2,582
LGIM Matching Core Fix Short	1,755	4,206
LGIM Matching Core Fix Long	479	1,244
LGIM Matching Core Real Short	1,022	1,799
LGIM Matching Core Real Long	1,076	1,857
LGIM Future World Multi Asset	2,589	2,830
Annuities	1,006	1,266
Trustee bank account/NCA	203	117
Total	25,445	34,878

Net defined benefit asset (liability)

	31-Aug-22 £000s	31-Aug-21 £000s
Fair value of Scheme assets	25,445	34,878
Present value of defined benefit obligation	(31,854)	(45,216)
Defined benefit (liability) recognised in the balance sheet	(6,409)	(10,338)

Total expense recognised in Statement of Financial Activities

	31-Aug-22 £000s	31-Aug-21 £000s
Administration expenses	225	248
Past Service Cost	-	11
Net interest on the net defined benefit liability	162	188
Total recognised in the Statement of Financial Activities	387	447

Total amounts taken to Other Comprehensive Income

	31-Aug-22 £000s	31-Aug-21 £000s
Actuarial (loss)/return on scheme assets less interest	(8,857)	2,877
Remeasurement gains/(losses) - actuarial gains/(losses)	12,564	(609)
Amount recognised in Other Comprehensive Income	3,707	2,268

The return on assets was:

	31-Aug-22 £000s	31-Aug-21 £000s
Interest income	549	481
Return on assets less interest income	(8,857)	2,877
Total return on assets	(8,308)	3,358

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2022

15 PENSIONS (*continued*)

Reconciliation to the Statement of Financial Position

	31-Aug-22 £000s	31-Aug-21 £000s
Market value of assets	25,445	34,878
Present value of defined benefit obligation	(31,854)	(45,216)
Funded status	(6,409)	(10,338)
Pension (liability) recognised in the Financial Statements	(6,409)	(10,338)

Changes in the present value of the defined benefit obligation

	31-Aug-22 £000s	31-Aug-21 £000s
Present value of defined benefit obligation at beginning of period	45,216	45,298
Benefits paid including expenses	(1,509)	(1,371)
Past Service Cost	-	11
Interest cost	711	669
Remeasurement losses - assumptions actuarial (gains) and losses	(12,406)	664
Remeasurement (gains) - experience actuarial (gains)	(158)	(55)
Present value of defined benefit obligation at end of period	31,854	45,216

Changes in the fair value of assets

	31-Aug-22 £000s	31-Aug-21 £000s
Fair value of Scheme assets at the beginning of period	34,878	32,583
Interest income	549	481
Remeasurement gains and (losses) - Return on scheme assets excluding interest income	(8,857)	2,877
Contributions by Employer	609	556
Administration expenses	(225)	(248)
Benefits paid including expenses	(1,509)	(1,371)
Fair value of Scheme assets at the end of period	25,445	34,878

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2022

16 MOVEMENT ON UNRESTRICTED RESERVES

	Balance 01-Sep-20 £000s	Net income £000s	Transfers £000s	Gains £000s	Balance 31-Aug-21 £000s
Designated Fund: Property and Equipment Fund	15,568	-	(101)	-	15,467
Designated Fund: Repairs and Improvement Fund	332	-	68	-	400
General reserves	9,334	547	33	-	9,914
Defined benefit pension scheme fund	(12,715)	109	-	2,268	(10,338)
	12,519	656	-	2,268	15,443

	Balance 01-Sep-21 £000s	Net income £000s	Transfers £000s	Gains £000s	Balance 31-Aug-22 £000s
Designated Fund: Property and Equipment Fund	15,467	-	3,640	-	19,107
Designated Fund: Repairs and Improvement Fund	400	-	-	-	400
General reserves	9,914	(491)	(3,640)	-	5,783
Defined benefit pension scheme fund	(10,338)	222	-	3,707	(6,409)
	15,443	(269)	-	3,707	18,881

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. This now includes 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 £200,000 of these within the next twelve months and all within two years.

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

17 ENTITLEMENT TO LEGACIES

The Trust is aware of possible future receipts from legacies, arising on deaths prior to 31 August 2022 where the exact sums are not quantifiable and these are believed to be in the order of £30,726 (2021: £28,022).

18 CAPITAL COMMITMENTS

As at 31 August 2022, the Trust had contracted to build Key Worker Accommodation on site at a cost of £3.9m, of which £3.8m has already been incurred. The development was completed in September 2022.

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.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2022

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 2022 to Treloar Enterprises Limited (TEL), the Trust's trading subsidiary, from the Trust was £3,490 (2021: £8,889 debtor). Transactions between the Trust and TEL comprised £133,013 (2021: £81,937), including a donation of profits of £77,800 (2021: £21,457).

The Trust granted to TEL the head lease over flats at Campbell Court. In the year ended 31 August 2022 the Trust was due £60,480 (2021: £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

Dr Victor Olisa QPM Chair of Treloar Trust (*from 09.12.22*)
Alistair Mackintosh BSc MBA, Chair of Treloar Trust (*resigned 09.12.2022*)
Sir Alex Allan KCB MA MSc (*resigned 05.01.22*)
Helen Baker DL (*resigned 28.02.22*)
James Bateson LLB
Cheryl Brewer
Michael Chadwick ACA CTAI
(Chairman of Governors, Treloar School & College)
David Cook BSc FCIM
Anna Galliford BComm ACMA (*appointed 01.09.21*)
Rhys Iley
John Paul Marks (*resigned 15.12.21*)
David Matthews JP BSc CA (*resigned 28.01.22*)
Lady Win Normington CBE
Udokanma Uzowulu
Scott Watkin BEM
Ian Cranna (*appointed 09.12.22*)

HONORARY TRUSTEE

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

ROYAL PATRON

HRH The Countess of Wessex GCVO

SENIOR EXECUTIVES

Ryan Campbell CBE Chief Executive Officer & Company Secretary
Simon Birch BA MBA ACA Finance & Resources Director
Martin Ingram BSc PGCE Principal of Treloar School & College

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Boundary House
91 Charterhouse Street
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AUDITORS

BDO LLP
2 City Place
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Gatwick, RH6 0PA

INVESTMENT MANAGERS

Cazenove Capital	Ruffer LLP
1 London Wall Place	80 Victoria Street
London, EC2Y 5AU	London, SW1E 5JL

PATRONS

Fiona Adler
Michael Aspel OBE
Bob Barrett
Dan Bentley
The Reverend Mark Birch
Stuart C Boreham
Lady Tessa Brewer OBE
Sir David Brewer KG CMG JP
Michael Campbell MBE DL
Michael Cassidy CBE BA MBA
Chris Childs
Christopher Dadson
Damon de Laszlo DL
Dan Eley
Julie Elliot Fernandez
Humphrey Hawksley
Suzanna Hext
Jane Macnabb
Maureen Marden
Alderman Sir Andrew Parmley
Bruce Powell BA FCA MBE
Robert Powell
Ben Rushgrove
Martin Sinclair
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
The Right Reverend David Williams,
Bishop of Basingstoke
Dame Jacqueline Wilson DBE FRSL
Tom Yendell

BANKERS

Lloyds TSB plc
City Office Branch
PO Box 72, Bailey Drive
Gillingham Business Park
Gillingham
Kent, ME8 0LS

“Treloar’s has the perfect balance of education and wellbeing, giving me the opportunity to socialise after college as well as learning the skills for life. I really like the fact that everything is centered around what I want to achieve and getting me prepared for my future. I feel really supported and empowered to do my best”

Issy, Student

Treloar Trust

Powell Drive, Holybourne,
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A company limited by guarantee.
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