

Registered number: 05774260
Charity number: 1117330

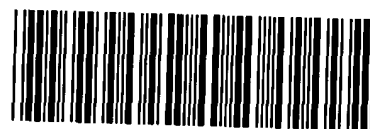
THE LAUREL TRUST

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2018

MONDAY



A13 *A82Z6FDD*
08/04/2019 #179
COMPANIES HOUSE

THE LAUREL TRUST

CONTENTS

	Page
Reference and administrative details of the charity, its trustees and advisers	1
Trustees' report	2 - 6
Independent examiner's report	7
Statement of financial activities	8
Balance sheet	9
Notes to the financial statements	10 - 20

THE LAUREL TRUST

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 JULY 2018

Trustees

R Durban, Trustee
W Goddard, Trustee (Chair of Trustees)
A Tear, Trustee (resigned 20 July 2018)
J West-Burnham, Chair (resigned 19 August 2017)
D Bateson, Trustee (resigned 11 December 2017)
Dame P Collarbone, Trustee
M Farrar, Trustee (resigned 5 November 2018)
R Greenhalgh, Trustee
M Staricoff, Trustee

Company registered number

05774260

Charity registered number

1117330

Registered office

10 Queen Street Place, London, EC4R 1BE

Company secretary

I J Pearce

Consultant director

M Roger

Accountants

MHA MacIntyre Hudson, Victoria Court, 17-21 Ashford Road, Maidstone, Kent, ME14 5FA

Bankers

Charities Aid Foundation Bank, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4JQ

Solicitors

Stone King LLP, Boundary House, 91 Charterhouse Street, London, EC1M 6HR

THE LAUREL TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 JULY 2018

The Trustees present their annual report together with the externally examined financial statements for the financial year from 1 August 2017 to 31 July 2018. The Trustees confirm that the Annual Report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) as amended by Update Bulletin 1 (effective 1 January 2015).

Since the charity qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

As a result of the ending of government grants for regional and national providers to train teachers for leadership in education the trustees made the strategic decision in July 2016 that to continue to take forward the charitable purpose of the advancement of education it was necessary to change the operational methodology and the name of the charity. It was decided to adopt the name the Laurel Trust and this was formally enacted on 3 October 2016 when the change of name was registered with Companies House and the Charity Commission. The operational methodology was changed from training provision for leadership in education to charitable grant making. This new strategy was selected on the basis of the need in schools and other educational providers to support practical action research in order to promote school improvement and educational achievement in multiply deprived communities through partnerships in education for children up to 11 years old, including provision for the early years and special educational needs and disability (SEND).

Objectives and Activities

a. POLICIES AND OBJECTIVES

The charitable objects of the Trust are "the advancement of education, in particular (without prejudice to the generality) by promoting, improving and developing educational leadership in schools, local education authorities and other organisations supporting or providing education regionally, nationally and internationally" (extract from the objects in the Articles of Association 2016).

b. STRATEGIES FOR ACHIEVING OBJECTIVES

The Trustees have adopted the strategy of grant making totalling up to £250,000 per annum to support action research projects to improve schools and raise achievement. To ensure scale and wide application the research projects are carried out by collaborative partnerships of schools and other educational providers serving children up to 11 years old, notably those living in multiply deprived communities. Local match funding including professional staff time increases the resourcing of research projects enabling wider dissemination of outcomes and enhanced impact on education for the public benefit.

c. ACTIVITIES FOR ACHIEVING OBJECTIVES

In the financial year 2017-18 the Trust reviewed the reports and school visits for first pilot year of grant making started in 2016-17 which supported 13 action research projects with grants totalling £162,710 awarded to nearly 100 primary and special schools and early years providers involving children aged from 1 to 11 years, mainly from multiply deprived communities in England. Based on lessons learnt about over-broad research aims, timing of research and limited dissemination of outcomes the Trustees decided to focus on supporting action research projects developing provision for children with special educational needs and disabilities (SEND). In March to April 2018 advertisements were issued in the specialist media and this second pilot phase was launched with an extended length for the research projects to run from September 2018 to January 2020. Following careful selection involving all Trustees and an independent SEND expert 9 new collaborative partnerships of primary schools and other providers from the early years onwards were selected to be awarded grants starting in September-November 2018 of £5,000 to £35,000 from the Trust totalling £193,140. Each

THE LAUREL TRUST

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 JULY 2018

selected research project was based on a collaborative partnership of two or more schools or other providers up to 25 in the largest partnerships with professional support from multiple educational organisations including 16 Teaching School Alliances and Multi?Academy Federations, 5 educational charities, 5 local authorities and 14 universities.

d. MAIN ACTIVITIES UNDERTAKEN TO FURTHER THE CHARITY'S PURPOSES FOR PUBLIC BENEFIT

The trustees confirm that to the best of their ability they have consistently complied with their duty to have due regard to the guidance on "the Advancement of Education for the Public Benefit" published by the Charity Commission in exercising their powers and duties. The main activities undertaken in 2017-18 promoted school improvement and raised pupil achievement in over 200 primary schools and other providers involving over 500 teachers and 2,000 children. The research outcomes will be disseminated nationwide aiming to contribute to improving school performance in hundreds of schools across England and raising the achievement of over 500,000 children for the public benefit.

Achievements and performance

a. KEY FINANCIAL PERFORMANCE INDICATORS

In 2016-17 the Trustees allocated £162,710 in grants to fund 13 action research projects involving 60 primary schools, 5 special schools and 30 early years providers and these projects continued their research and report preparation into 2017-18.

During 2017-18 total reserves reduced by £291,098 from £3,539,236 to £3,248,038 with £145,892 expended on charitable activities and a modest income of £2,845 made up from interest paid on deposit accounts.

This means that other costs totalled £116,401 which involved the selling price of the leadership training centre in Sittingbourne which took place on 10 July 2018 at £1,250,000 plus £250,000 VAT meaning a loss approaching £150,000 on the original purchasing price of £1,400,000 in 2009 and £100,000 on the reduced later valuation of £1,350,000 in 2016-17 caused by the commercial property price uncertainties associated with BREXIT. Legal costs were high because of the length and complexity of the sale though the Trust managed to retain the saving of £210,000 by registering for Zero-Rated VAT for charitable activities on the original purchase.

b. REVIEW OF ACTIVITIES

School visits and reports evidenced generally high quality action research outcomes showing positive school improvements and raised achievement, which will impact on the education system in future years. All the schools and other providers who worked on action research projects supported by grants from the Trust provided highly positive evaluation reports citing the professional guidance and support of the consultants and Trustees who visited projects in the field. With 13 partnership projects completed by mid 2018 the Trust now holds valuable empirical evidence on school improvement and child learning outcomes to inform dissemination nationwide.

c. RESERVES POLICY

Throughout the financial year the Trustees regularly reviewed the healthy net current assets totalling £3,248,038 on 31 July 2018 following the sale of fixed assets of £1,365,473 on 10 July 2018, mainly made up by the value of the teacher training property in Kent. They resolved to continue with the long-term reserves policy of combining high levels of reserves with cautious application to new grant making developments budgeted at up to £250,000 per annum in order to safeguard charitable assets and maintain financial stability during the ongoing period of government policy changes in education including austerity cuts.

THE LAUREL TRUST

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 JULY 2018

d. INVESTMENT POLICY AND PERFORMANCE

Noting the modest interest of under £3K paid from the Scottish Widows Deposit Account and the sale of the Sittingbourne property adding over £1.25M to the cash reserves the Trustees remitted the company secretary to research alternative investments, including equities and bonds which could be managed by an "Investment Expert" firm in line with the powers in the Articles of Association and charity law. This review was to be completed by the Autumn 2018 when the secretary was remitted make recommendations to the Trustees on the future Investment Policy.

Financial review

a. GOING CONCERN

The Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. They continue to adopt the going concern basis of accounting in preparing the annual financial statements.

b. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

During the past year the Trustees continued to carefully monitor the associated financial risks and under their duty of prudence maintained their cautious reserves policy subject to the above review of the reserves investment policy.

c. PRINCIPAL FUNDING

With the ending of government grants from the Department for Education in 2016 the Trust relies upon investment income to maintain reasonable reserves. In future years there will be a possibility of approaching other charitable trusts supporting research in education once the Trust has produced publications and disseminated research project findings nationwide and has a track record for quality high impact research in primary education.

Structure, governance and management

a. CONSTITUTION

Constitutionally the Laurel Trust (previously SELT) is a registered charity number 1117330 and company limited by guarantee number 05774260 to advance education based on Articles of Association first registered in 2006 and last amended with the change of name in 2016. The Trust is governed by a multi-skilled and diverse Board of Trustees and new trustees are recruited through the educational networks developed by the Trust including schools, local and diocesan education authorities and universities together with commissioning Trustees Unlimited as a specialist trustee recruitment agency. Trustees are appointed and co-opted on a voluntary basis. All new trustees are inducted by the company secretary on their legal duties and responsibilities of trusteeship using Charity Commission Guidance and literature published by the Trust's solicitors BWB and Stone King. In addition the company secretary has introduced the NCVO Best Behaviour Code, which has been adopted by the Board and all trustees are required to sign the code and complete the declaration of interests, which is updated annually. The company secretary and the Trust's solicitors ensure that Trustees act in accordance with their legal obligations, corporate governance principles and guidance from the Charity Commission and other organisations in the charity sector including NCVO, DSC and ACEVO. Legal advice for trustees in 2017-18 encompassed the sale of the charity's leadership training centre in Kent, legal duties and responsibilities of trustees, conflict of interest and loyalty and implementing new data protection procedures to comply with GDPR.

THE LAUREL TRUST

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 JULY 2018

b. ORGANISATIONAL STRUCTURE AND DECISION MAKING

The management of the charity is the responsibility of the Trustees who are appointed and co-opted under the terms of the Articles of Association. Support for and evaluation of the research projects is undertaken by Trustees on a voluntary basis in association with consultants (below) and in future years independent evaluation exercises and reports will be undertaken.

c. CONSULTANTS AS ADVISORS

Since 2016-17 when all staff were made redundant there have been no staff and hence no employee earns more than £60K. The executive was replaced by a part-time Consultant Director, who manages the educational work of the Trust with support from the company secretary who oversees governance and finances as a part-time consultant adviser to the Trustees.

Plans for future periods

a. FUTURE DEVELOPMENTS

Following the pilot year Cohort (1) launched in 2016-17 the trustees carried out an evaluation of the research project outcomes in 2017-18 together with a formal governance review focused on trustee legal duties and responsibilities and conflicts of interest and loyalty facilitated by specialist solicitors BWB and an educational review of communications to schools and the effectiveness of the new grant making methodology. It was decided to send positive feedback to all participating projects and publish structured summaries of the research and impact of selected examples on the trust's web site. The trustees then considered the lessons learnt from the pilot year and decided to add the following to grant criteria: the need for clear focus demonstrating added value for grants, clarifying the role of support partners, promoting sustainability through professional development, independent evaluation of impact, linking learning communities and extending the one year timescale. These principles were applied to the launch of Cohort (2) grant making in 2017-18 and will continue into Cohort (3) of Grants 2019-21.

The trustees considered the future work of the Trust focusing on the strengths and weaknesses of grant making to promote action research by educational providers in the primary years and the communications strategy for the vast field of nearly 20,000 schools of various types and 8,000 other providers including EYPs and children's centres. It was decided that in Cohort (2) the grant making would focus on a specific need in education 0-11 years at this time. The nominated area of urgent need was Special Educational Needs and Disability (SEND) as the upcoming surge in primary school numbers is putting strain on SEND provision.

With guidance from solicitor Julian Blake of BWB and later Stone King the trustees adopted policy papers on 'Legal Duties and Responsibilities of Charity Trustees' and a bespoke 'Conflict of Interest and Loyalty Policy' with provisions including eligibility criteria for grant making, effective communications to relevant providers, the duty to declare all conflicts and ways to manage conflict to ensure objective independent decision making. Trustees also reviewed the related issue of the composition of the board of trustees to ensure that prudent, reasonable, objective and independent decisions are made in accordance with legal duties and responsibilities and appropriate expertise and full information was available to inform such decisions. They approved the enhancement of the membership of the board to 10-12 to ensure a fully independent board and reflect diversity and all areas of education up to age 11 together with educational management and research expertise. The trustees are currently recruiting additional trustees taking into account their professional expertise, independence, diversity and time availability to undertake the role of trusteeship.

THE LAUREL TRUST

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 JULY 2018

RELATED PARTY TRANSACTIONS

The trustees have taken legal advice on this and for the future the trust has adopted and will consistently apply a bespoke management policy written by the specialist charity department at BWB (now at Stone King) which encompasses the duty to avoid conflict of interest, full declarations and where necessary provisions for the proper management of all incidences of conflict of interest and loyalty to ensure that board decisions are reasonable, prudent, independent and objective, including those for the allocation of grants.

TRUSTEES' RESPONSIBILITIES STATEMENT

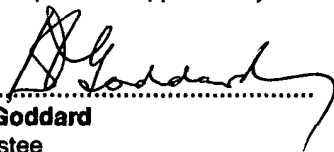
The Trustees (who are also directors of The Laurel Trust for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the Trustees, on 1 April 2019 and signed on their behalf by:


.....
W Goddard
Trustee

THE LAUREL TRUST

INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 JULY 2018

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE LAUREL TRUST (the 'Charity')

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 31 July 2018.

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work or for this report.

RESPONSIBILITIES AND BASIS OF REPORT

As the Trustees of the Charity (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Charity's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

INDEPENDENT EXAMINER'S STATEMENT

I have completed my examination. I can confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Charity as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed:  Dated: 5/4/2019

Colin Mills ACA, DChA

MHA MacIntyre Hudson
Victoria Court, 17-21 Ashford Road
Maidstone
Kent, ME14 5FA

THE LAUREL TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 JULY 2018

	Note	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
INCOME FROM:				
Charitable activities	2	1,150	1,150	2,745
Other trading activities	3	(32,900)	(32,900)	(23,020)
Investments	4	2,845	2,845	6,532
TOTAL INCOME		(28,905)	(28,905)	(13,743)
EXPENDITURE ON:				
Charitable activities		145,892	145,892	530,516
Loss on disposal of fixed assets		116,401	116,401	-
TOTAL EXPENDITURE	8	262,293	262,293	530,516
NET EXPENDITURE BEFORE OTHER RECOGNISED GAINS AND LOSSES		(291,198)	(291,198)	(544,259)
NET MOVEMENT IN FUNDS		(291,198)	(291,198)	(544,259)
RECONCILIATION OF FUNDS:				
Total funds brought forward		3,539,236	3,539,236	4,083,495
TOTAL FUNDS CARRIED FORWARD		3,248,038	3,248,038	3,539,236

The notes on pages 10 to 20 form part of these financial statements.

THE LAUREL TRUST
REGISTERED NUMBER: 05774260

BALANCE SHEET
AS AT 31 JULY 2018

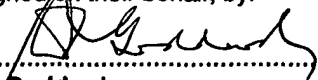
	Note	£	2018 £	£	2017 £
FIXED ASSETS					
Tangible assets	11		526		1,365,473
CURRENT ASSETS					
Debtors	12	46,214		88,702	
Cash at bank and in hand		3,435,658		2,125,348	
		<u>3,481,872</u>		<u>2,214,050</u>	
CREDITORS: amounts falling due within one year	13	(234,360)		(40,287)	
NET CURRENT ASSETS			<u>3,247,512</u>		<u>2,173,763</u>
NET ASSETS			<u>3,248,038</u>		<u>3,539,236</u>
CHARITY FUNDS					
Unrestricted funds	14		<u>3,248,038</u>		<u>3,539,236</u>
TOTAL FUNDS			<u>3,248,038</u>		<u>3,539,236</u>

The Charity's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The Trustees consider that the Charity is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the Charity to obtain an audit for the year in question in accordance with section 476 of the Act.

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees on 1 April 2019 and signed on their behalf, by:



W Goddard
Trustee



I Pearce
Company Secretary

The notes on pages 10 to 20 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2018**

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Laurel Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Company status

The Charity is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity. The address of the registered office is 10 Queen Street Place, London, EC4R 1BE.

The nature of the charity's operations and principal activities are "the advancement of education, in particular (without prejudice to the generality) by promoting, improving and developing educational leadership in schools, local education authorities and other organisations supporting or providing education regionally, nationally and internationally" (extract from the objects in the Articles of Association 2016).

1.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

1.4 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2018

1. ACCOUNTING POLICIES (continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the Charity and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the Charity and compliance with constitutional and statutory requirements.

Charitable activities and Governance costs are costs incurred on the Charity's educational operations, including support costs and costs relating to the governance of the Charity apportioned to charitable activities.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

1.6 Tangible fixed assets and depreciation

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities incorporating income and expenditure account.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	2% straight line basis
Office equipment	-	25% straight line basis

1.7 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the Bank.

1.8 Operating leases

Rentals under operating leases are charged to the Statement of financial activities incorporating income and expenditure account on a straight line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2018

1. ACCOUNTING POLICIES (continued)

1.9 Debtors

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.10 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.12 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

THE LAUREL TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2018**

2. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Provision of adult education	1,150	1,150	2,745
Total 2017	2,745	2,745	

In 2017, of the total income from charitable activities, £2,745 was to unrestricted funds and £NIL was to restricted funds.

3. FUNDRAISING INCOME

	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Business administration services	(32,900)	(32,900)	(23,020)
Total 2017	(23,020)	(23,020)	

4. INVESTMENT INCOME

	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Bank interest received	2,845	2,845	6,532
Total 2017	6,532	6,532	

5. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2018 £	Grant funding of activities 2018 £	Support costs 2018 £	Total 2018 £	Total 2017 £
Provision of adult education	1,092	-	258,841	259,933	480,605
Total 2017	28,807	206,005	245,793	480,605	

THE LAUREL TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2018**

6. DIRECT COSTS

	Provision of adult education £	Total 2018 £	Total 2017 £
Venues	1,092	1,092	4,609
Tutors	-	-	21,798
Licences	-	-	2,400
	<u>1,092</u>	<u>1,092</u>	<u>28,807</u>
Total 2017	<u>28,807</u>	<u>28,807</u>	

7. SUPPORT COSTS

	Governance £	Provision of adult educat £	Total 2018 £	Total 2017 £
Travel and subsistence	-	157	157	2,057
Printing, postage and stationery	-	50	50	2,090
Telephone	-	(87)	(87)	2,257
Other expenses	-	2,207	2,207	8,811
Rent and rates	-	7,111	7,111	24,894
Light and heat	-	136	136	4,963
Repairs and renewals	-	12,964	12,964	6,389
Insurance	-	1,302	1,302	3,833
Office equipment rentals	-	-	-	893
Computer supplies and charges	-	4,350	4,350	16,171
Photocopies	-	-	-	5
Bank charges	-	183	183	123
Legal and professional	-	66,073	66,073	123,389
Marketing	-	4,195	4,195	4,304
Catering	-	-	-	1,193
Audit fees	2,360	-	2,360	6,240
Loss on disposal of fixed assets	-	116,401	116,401	-
Bad debts	-	-	-	22,600
Chairman's fees	-	-	-	10,800
Cleaning	-	1,253	1,253	-
Other accountancy fees	-	10,059	10,059	21,255
Wages and salaries	-	-	-	891
Depreciation	-	32,487	32,487	32,546
	<u>2,360</u>	<u>258,841</u>	<u>261,201</u>	<u>295,704</u>
Total 2017	<u>49,911</u>	<u>245,793</u>	<u>295,704</u>	

THE LAUREL TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2018**

7. SUPPORT COSTS (continued)

During the year ended 31 July 2018, the Charity incurred the following Governance costs:
£NIL (2017 - £NIL) included within the table above in respect of.

8. ANALYSIS OF EXPENDITURE BY EXPENDITURE TYPE

	Staff costs 2018 £	Depreciation 2018 £	Other costs 2018 £	Total 2018 £	Total 2017 £
Provision of adult education	-	32,487	227,446	259,933	480,605
Expenditure on governance	-	-	2,360	2,360	49,911
	-	32,487	229,806	262,293	530,516
Total 2017	891	32,546	497,079	530,516	

9. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2018 £	2017 £
Depreciation of tangible fixed assets:		
- owned by the charity	32,487	32,546
Auditors' remuneration - audit	-	6,240

During the year, Trustees received remuneration amounting to £10,800 (2016 - £8,400).
During the year, no Trustees received any benefits in kind (2017 - £NIL).
During the year, no Trustees received any reimbursement of expenses (2017 - £NIL).

THE LAUREL TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2018**

10. STAFF COSTS

Staff costs were as follows:

	2018 £	2017 £
Wages and salaries	-	891

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

	2018 No.	2017 No.
	-	-

No employee received remuneration amounting to more than £60,000 in either year.

11. TANGIBLE FIXED ASSETS

	Freehold property £	Office equipment £	Total £
Cost			
At 1 August 2017	1,615,559	1,875	1,617,434
Disposals	(1,615,559)	-	(1,615,559)
At 31 July 2018	-	1,875	1,875
Depreciation			
At 1 August 2017	250,788	1,173	251,961
Charge for the year	32,311	176	32,487
On disposals	(283,099)	-	(283,099)
At 31 July 2018	-	1,349	1,349
Net book value			
At 31 July 2018	-	526	526
At 31 July 2017	1,364,771	702	1,365,473

THE LAUREL TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2018**

12. DEBTORS

	2018 £	2017 £
Other debtors	38,747	85,348
Prepayments and accrued income	7,467	3,354
	<u>46,214</u>	<u>88,702</u>

13. CREDITORS: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	1,587	11,561
Other taxation and social security	228,273	-
Other creditors	-	5,950
Accruals and deferred income	4,500	22,776
	<u>234,360</u>	<u>40,287</u>

THE LAUREL TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2018**

14. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 August 2017 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 July 2018 £
Designated funds					
Tangible fixed assets fund	1,365,473	-	-	(1,364,947)	526
General funds					
Charity general funds	2,173,763	(28,905)	(262,293)	1,364,947	3,247,512
Total Unrestricted funds	3,539,236	(28,905)	(262,293)	-	3,248,038
Total of funds	3,539,236	(28,905)	(262,293)	-	3,248,038

The tangible fixed assets fund represents the net book value of fixed assets held by the charity.

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 August 2015 £	Income £	Expenditure £	Transfers in/out £	Transfers in/out £	Balance at 31 July 2017 £
Designated funds						
Tangible fixed assets fund	1,398,019	-	-	-	(32,546)	1,365,473
	1,398,019	-	-	-	(32,546)	1,365,473
General funds						
Charity general funds	2,685,476	(13,743)	(530,516)	-	32,546	2,173,763
Total Unrestricted funds	4,083,495	(13,743)	(530,516)	-	-	3,539,236
Total of funds	4,083,495	(13,743)	(530,516)	-	-	3,539,236

THE LAUREL TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2018**

SUMMARY OF FUNDS - CURRENT YEAR

	Balance at 1 August 2017 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 July 2018 £
Designated funds	1,365,473	-	-	(1,364,947)	526
General funds	2,173,763	(28,905)	(262,293)	1,364,947	3,247,512
	<u>3,539,236</u>	<u>(28,905)</u>	<u>(262,293)</u>	<u>-</u>	<u>3,248,038</u>

SUMMARY OF FUNDS - PRIOR YEAR

	Balance at 1 August 2015 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 July 2017 £
Designated funds	1,398,019	-	-	(32,546)	1,365,473
General funds	2,685,476	(13,743)	(530,516)	32,546	2,173,763
	<u>4,083,495</u>	<u>(13,743)</u>	<u>(530,516)</u>	<u>-</u>	<u>3,539,236</u>

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS**ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR**

	Unrestricted funds 2018 £	Total funds 2018 £
Tangible fixed assets	526	526
Current assets	3,481,872	3,481,872
Creditors due within one year	(234,360)	(234,360)
	<u>3,248,038</u>	<u>3,248,038</u>

THE LAUREL TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2018

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2017 £	Total funds 2017 £
Tangible fixed assets	1,365,473	1,365,473
Current assets	2,214,050	2,214,050
Creditors due within one year	(40,287)	(40,287)
	<u>3,539,236</u>	<u>3,539,236</u>

16. OPERATING LEASE COMMITMENTS

At 31 July 2018 the total of the Charity's future minimum lease payments under non-cancellable operating leases was:

	2018 £	2017 £
Amounts payable:		
Within 1 year	-	9,226

17. RELATED PARTY TRANSACTIONS

The charity has trustee liability insurance cover to the value of £1,000,000. The premium cost £nil (2017: £498).

During the year £24,119 (2017: £53,595) was invoiced by M A Roger Associates Limited, a company with a director of M Roger who is the consultant director of The Laurel Trust. As at the balance sheet date £nil (2017: £nil) was outstanding and included within creditors.

During the year £18,869 (2017: £28,420) was invoiced by IPCEP Limited, a company with a director of I Pearce who is the company secretary of The Laurel Trust. As at the balance sheet date £nil (2017: £nil) was outstanding and included within creditors.