

**The Loddon Foundation Ltd**  
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

for the year ended

31 March 2022

Company Registration Number 02448785  
Charity Number 802188

# The Loddon Foundation Ltd

## REFERENCE AND ADMINISTRATIVE DETAILS

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DIRECTORS (TRUSTEES)	Mrs M L Cornick MBE (Founder) Mr S Fussey (Chair) Ms J Wright – Deputy Chair – Resigned 29/10/21 Mr J Beebee – Resigned 29/04/21 Dr R W Lycett – Deputy Chair Mr M R Lakin Mrs J A Wake Mrs R E Jones Mr C I Wells Miss S J Corbett – Appointed 28/04/21
PRINCIPAL	Dr G Barrett
DIRECTOR OF LODDON TRAINING AND CONSULTANCY	Ms J Bromley
COMPANY SECRETARY	Mrs E A Fairhead
PRINCIPAL AND REGISTERED OFFICE	The Loddon School Wildmoor Lane Sherfield-on-Loddon Hook Hampshire RG27 0JD
COMPANY REGISTRATION NUMBER	02448785
REGISTERED CHARITY NUMBER	802188
AUDITOR	RSM UK Audit LLP Davidson House Forbury Square Reading Berkshire RG1 3EU
BANK	NatWest Bank PLC Chatham RCSC Western Avenue Waterside Court Chatham Maritime Chatham Kent ME4 4RT
SOLICITORS	Lamb Brooks LLP Victoria House 39 Winchester Street Basingstoke RG21 7EQ
INSURANCE BROKER	Innovation Broking 20 St Dunstan's Hill London EC3R 8HL

# The Loddon Foundation Ltd

## REPORT OF THE TRUSTEES

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The Trustees of The Loddon Foundation Ltd present their annual report and audited accounts for the year ended 31 March 2022 and confirm that they comply with the requirements of the Charities Act 2011, as amended by the Companies Act 2006, the Memorandum and Articles of Association and the Charities Statement of Recommended Practice (SORP) (FRS 102) 2019.

### **Structure, Governance and Management**

#### **Governing Document**

The Loddon Foundation is a company limited by guarantee and governed by its Memorandum and Articles of Association dated 4 December 1989, as amended on 8 June 2013. It is registered as a Charity with the Charity Commissioners. The members have agreed to contribute a maximum of £100 each in the event of the company winding up. The number of members is unlimited. The Company Directors are also Trustees of the Charity and Governors of the School.

#### **Appointment of Trustees**

It has always been the policy that all members are Trustees, Directors and Governors of the School. There are no other Directors, Trustees or Governors. All the Directors, Trustees and governors henceforth referred to as Trustees, as detailed on the reference and administrative details, served throughout the year unless otherwise stated. The Board has power to appoint additional Trustees if it considers fit to do so.

New Trustees are selected based on their specialist knowledge e.g. teaching, care, financial, legal, IT, medical expertise, experience with children and adults with severe challenging behaviour and learning difficulties. Trustees are recruited through networking of current Trustees and the interactions the Charity has with the local community. One trustee resigned from the Charity during the financial year and one resigned after the year end. Both were replaced by Trustees with similar expertise.

#### **Trustee Induction and Training**

Prospective Trustees are invited to visit the School, where they can meet key employees, the children and other Trustees. Prospective Trustees are provided with information about the philosophy of the Charity along with details about the accredited training that is delivered nationally and promotes the philosophy and approaches of the Charity.

The Trustees have on-going training, and receive additional information which is circulated as available from the Charity Commission. Trustees are invited to attend training delivered by Loddon Training – the external training division of the Charity.

Trustees meet each year with the whole senior team to engage in the annual Strategic Planning process.

#### **Organisation**

The Board of Trustees, which must comprise of a minimum of 3 members, administers the Charity meet at least four times a year. The Trustees fulfil the role of the Proprietorial Body for the School and are subject to registration by Ofsted.

The Board of Trustees have had in place four subcommittees to facilitate their ongoing work. These subcommittees, along with their key responsibilities are:

- Finance, HR, Estates and IT
  - Ensure that budgets are developed and monitored;
  - Approve investment proposals;
  - Monitor the facilities programs and Health and Safety;
  - Ensure that the Charity effectively manages and rewards staff; and
  - Advise on developing the IT strategy for the School.

# The Loddon Foundation Ltd

## REPORT OF THE TRUSTEES (continued)

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- Philosophy, Education, Well-being and Training.
  - Ensure that the Charity maintains its focus on the underlying philosophy of positive approaches;
  - Monitor the curricula used within the Charity to ensure that they are aligned to the philosophy and approaches of PROACT-SCIPr-UK®; and
  - Ensuring the School keeps the students within its care safe and complies with the relevant safeguarding legislation.
  
- Loddon Training (LT) / Training and Outreach
  - Provide Strategic direction to Loddon Training such that the Philosophies of the school, the PLLUSS® curriculum and practical application of PROACT-SCIPr-UK® is spread as widely throughout the UK as possible; and
  - Oversee the running of the Outreach programme which supports teachers and schools who specialise in special educational needs in the UK.
  
- Governance and Quality Management
  - Recruitment, training, ensuring the board has an appropriate mix of skills;
  - Review of governance documents to ensure that they are up to date;
  - Review of the Schools' Quality Management System and ensure compliance with ISO 9001; and
  - Maintain the Trustees Risk Register.

The Trustees work closely with the Charity Leadership Team, via the subcommittees, to ensure that the aims and objective of the Charity, as agreed by the Trustees, are implemented through the organisation.

The Charity Leadership Team currently comprises the Loddon School Principal, the Director of Loddon Training, Vice Principal (Registered Care Manager), Head of Finance and Company Secretary and the Director of Human Resources.

The remaining staff are employed in the School to provide care, education, training, support or as trainers for Loddon Training. The Loddon Foundation is not dependent upon the service of unpaid volunteers.

The Charity Leadership Team formally report to the Trustees at the regular Trustees' meetings but also meet with smaller groups of Trustees to discuss on-going matters and to share information, as needed.

The Trustees attend events during the year in which children and parents from the School take part, and visit the School between meetings. They attend some of the training events presented by Loddon Training along with the annual conference.

### **Remuneration of Key Management Personnel**

The Trustees set the remuneration of the Charity Leadership team by reference to remuneration in the local employment market and those employed in Special Schools. Responsibility for remuneration elsewhere in the Charity is delegated to the Charity leadership team who apply the same principles. All appointments and pay increases for those earning over £30,000 per annum are approved by the Finance and HR committee on behalf of the Trustees.

### **Related Party Relationships**

The charity covers all the costs associated with the trademarking and Mrs M Cornick MBE receives no payment for the use of the trademark. The board of Trustees have reviewed this arrangement and are confident that this continues to be in the best interests of the charity.

PROACT-SCIPr-UK® is the registered trademark of Mrs M Cornick MBE, the charities founder. The Charity uses this trademark under licence. The Charity covers all the costs associated with the trademarking and Mrs M Cornick MBE receives no payment for the use of the trademark. The Board of Trustees have reviewed this arrangement and are confident that this continues to be in the best interests of the Charity.

# The Loddon Foundation Ltd

## REPORT OF THE TRUSTEES (continued)

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### **Qualifying Third Party Indemnity Provisions**

The charitable company has made qualifying third-party indemnity provisions (directors and officers insurance) for the benefit of its Trustees during the period. These provisions remain in force at the reporting date.

### **STRATEGIC REPORT**

#### **Objectives and Activities**

##### **Our Aims**

The objectives of the Charity are the education, treatment and care of persons with learning disabilities. In addition, the Charity has a range of powers which include dissemination of good practice and to provide training, lectures and conferences both nationally and internationally.

The Charity achieves these through two principal activities: A School which provides education and care for 30 children and the provision of training courses for other schools, residential, day services and supporting living settings from the statutory, private or voluntary sectors who support children and/or adults, through Loddon Training. The Charity also provides Outreach services within the UK and internationally through the provision of training and support to include a small on-going programme in Zambia.

##### **Our Approach**

The Loddon Foundation Ltd continues to provide specialist education and high quality residential care for children with autism, profound and complex learning disabilities and severe challenging behaviour. The School is committed to enabling children to participate in the life of the community wherever possible and with whatever support is needed. The children all demonstrate behaviours of concern which have severely restricted their opportunities compared with children in main-stream schools and therefore need a 24-hour curriculum to provide maximum support to them and their families.

The Loddon Foundation bases its approach in 'Positive Behaviour Support' and 'non-aversive' approaches to behaviour support within the philosophy and practice of PROACT-SCIPr-UK® and the PLLUSS® curriculum both developed by the Charity and implemented within the School and disseminated through Loddon Training. These approaches are understood and recognised by Ofsted and local authorities (who pay fees for children to be pupils in the School).

Using PROACT-SCIPr-UK® and PLLUSS® as the philosophy and approach, the School bases its practice in personalised education and care to ensure each child's programme supports the needs of that child. The education of the child is both individualised and personalised, enabling learning programmes to occur in the natural settings rather than classrooms. For example, learning to dress and undress is learnt in the child's bedroom or swimming pool complex and activities are selected to ensure preparation for adult life with a focus on communication skills, choice, social skills and behaviour support. Transition planning plays an important part in the education of pupils when they reach 14+.

The Loddon Foundation provides external organisations training which is certificated by Bild ACT (British Institute of Learning Disabilities Association of Certified Training) and known as PROACT-SCIPr-UK® through Loddon Training. This is a specialist programme providing a 'whole approach' to enable staff to actively support individuals who demonstrate behaviours of concern and as far as is reasonably possible ensures the safety of staff.

Loddon Training delivers this training to organisations throughout the UK and there are in the region of 170 organisations and 800 Instructors trained to deliver PROACT-SCIPr-UK® courses to staff within their service and implement the approach in schools, residential, day services and supporting living settings. In addition, advice and support is offered to parents, families, other schools and care homes on a regular basis.

Subsidised courses and additional advice and support are provided through Outreach to parents and family carers to enable them to use both PROACT-SCIPr-UK® and PLLUSS® within their own homes. This enables children and adults to stay longer in the family home reducing the need for them to be supported in residential care.

# The Loddon Foundation Ltd

## REPORT OF THE TRUSTEES (continued)

Loddon Training uses off-site training facilities at Field House Barn, a training facility providing for the increasing number of courses without reducing the use of space at the School.

The PROACT-SCIPr-UK® acronym stands for ‘Positive Range of Options to Avoid Crisis and use Therapy, Strategies for Crisis Intervention and Prevention’, whilst PLLUSS® means ‘Personalised Learning for Life Using Supportive Strategies.’ These curricular approaches include ways of educating children who find the regular classroom prohibitive to learning. These programmes are delivered to ensure a culture of understanding of the philosophy of positive approaches and behaviour support as a ‘whole approach’ to enable learning to take place for all in a person-centred way.

### Our Objectives

#### Achievements and Performance

During the year the following progress was made against the objectives set in last year’s annual report:

Objectives Set Last Year	Achievements
Improvement of the environment – as we have completed phase I of our building project, we move therapies into willow green and develop a specialist therapy centre close to the swimming pool. The vision of the village green in the heart of the school surrounded by living accommodation and free from cars will continue to move forward.	Two new bungalows have been built and ten children have moved into these new homes. Willow Green has been fully refurbished and the therapy department have moved in with newly updated sensory room, OT activity room and a massage room. In the courtyard a new school shop has been built as the first stage of learning for independence skill development with shopping.
To introduce a fully integrated management system to support the business function of Loddon Training.	A system has been procured to support the business function of Loddon Training. A programme for it’s implementation is being rolled out.
To promote the Loddon whole approach curriculum by implementating a revised marketing strategy.	The Loddon Foundation has recruited a Marketing Team who have developed a Marketing Strategy for The Loddon School and Loddon Training which is being implemented to raise the profile of The Loddon Foundation by promoting the Loddon Whole Approach on a new website and through its social media channels.
To increase the range of courses offered by adding to those available on our online learning platform and add additional allied courses for example first aid to our repertoire.	The new refreshed websites are now live.  A continuous programme for the development of online training courses is in place. The PROACT-SCIPr-UK® Awareness Course is proving very successful to support the induction of employees in PROACT-SCIPr-UK® organisations.
To add to research knowledge within the education and care of young people with autism.	Research continues with papers related to the teaching of Reading and the development of the ‘Student Voice’ for those children who are non-verbal.
To develop and implement a strategy to extend the training provision and promote Loddon as a centre of excellence in the delivery and implementation of the ‘whole approach’ curriculum to parents, carers, and professionals throughout the UK.	A forum has been initiated to support organisations with the implementation of PROACT-SCIPr-UK® and comply with the Restraint Reduction Standards (RRN). This initial work has been to support compliance and the use of Agency Staff and Lived Experience. In addition course materials now include a separate newly developed section on Human Rights which is designed for PROACT-SCIPr-UK® Instructors  An online conference on Lived Experience was run in the Autumn which was very well received.

# The Loddon Foundation Ltd

## REPORT OF THE TRUSTEES (continued)

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### Development of the Charity (Trustees)

- Following a strategy day held with the Trustees and leadership team we have agreed focus groups to enhance our outreach support in the local community. We hope to help and assist parents and schools with children with autism and increase our marketing presence. Work Streams to deliver these objectives will be further developed in the next year.
- Following a strategic review the trustees have approved phase 2 of a rebuilding program which is fully funded by the building fund established in last years accounts and this years surplus. This will build 3 new houses called 'Maple Grove'.
- The Trustees reviewed the viability of keeping Field House Barn as a training centre now that we no longer have a tenant to share the costs. It was decided that the best option is to sell and relocate Loddon Training in a more appropriate sized facility.

### The School

The School is inspected as a Children's Home once a year and as a School every three years. The School was recognised as "outstanding" for its provision in social care and "outstanding" in education during the last Ofsted inspections. There were many achievements in the School during the year which included:

- Phase one of our building project has been completed. The two specially designed bungalows which as home and teaching base have had a superb impact on the lives of the children and engagement in so many more learning opportunities. We move ahead with phase 2 in September 2022.
- The school has participated in a number of national days. We were delighted to host the BBC Berkshire morning radio programme live from our school on the morning of Children in Need Day.
- We have made a national link with Cosmic Kids a yoga Youtube channel, who have asked us to work with them to help make their product more accessible to children with special needs.
- The school was selected as top three in Britain for Shakespeare Film 2022 by interfilm.
- The school has two creative arts pieces in the national Unique Arts Awards and have been invited to the awards ceremony in London in September.
- We have been pleased once again to invite back visiting artists and musicians back into school. The work they inspire and create with the children is superb.
- A number of staff have completed level 5 Leadership and Management awards, and the National Professional Qualification in middle leadership. Ofsted praised the school for its very high engagement and pass rate for the level 3 Diploma in Residential Childcare.
- The Principal is working as a school improvement partner with a special school in Christchurch. We have strong working partnerships with Addington School, Daneshill School and Dove House. Special links here are with our outdoor learning.
- Two members of the leadership team again attended The Leaders Council gala evening at Mansion house, London in March. We continue to have strong links with the council attending hosted and online events.
- The newly built Pirate Ship, and the mud kitchen both designed and built by the site team have been a great success with the children. With the building of the Phase two of the building project we will be creating a new sensory water park.

# The Loddon Foundation Ltd

## REPORT OF THE TRUSTEES (continued)

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### **Loddon Training**

Loddon Training has continued to adapt to a changing environment maintaining its online courses and reintroducing its 'face to face' offerings.

- Loddon Training has retained its accreditation by Bild Association of Certificated Training (ACT) against the Restraint Reduction Network Standards (RRN) for the provision of PROACT-SCIPr-UK<sup>®</sup> training in the 'whole approach curriculum' for a wide range of courses ranging from one to two day Introductory and Foundation Courses to 'train the trainer' – Instructor Training Courses.
- A new online PROACT-SCIPr-UK<sup>®</sup> Awareness course to support staff induction for employees working in PROACT-SCIPr-UK<sup>®</sup> organisations has been developed and is proving successful
- Trainers continue to develop their skills in developing online courses using bespoke course development software to ensure they are of the highest quality.
- Loddon Training are included in various procurement directorics to increase the awareness of its offerings and promote 'the PROACT-SCIPr-UK whole approach curriculum' within several publications.
- The marketing strategy has focused on the consolidation of the brands and promoting the 'whole approach curriculum' – PROACT-SCIPr-UK through the website and our social media channels.
- Loddon Training were one of the first training providers to acquire certification against the RRN Training Standards through Bild ACT and have successfully completed the interim reviews. This increases the marketability of the training with certification being mandatory for services where there is a health funded component or for those inspected by CQC.
- The demand for consultancy work continues to increase with the addition of requests to provide support for parents and family carers in order to enable the person to remain in either the family home or their existing placement and achieve a better quality of life.

### **Outreach**

- Advice and support is provided through video conferencing or 'face to face' to a wider audience to include parents and families enabling the person to maintain a better quality of life.
- Social Media has been introduced as a means for disseminating information and raising the profile. Specific advice, support and training is provided for.

### **International Work**

We continue to support Zambia through donations so that they are able to open their own school for children with special educational needs.

### **Public Benefit**

The Trustees confirm that they have regard to the Charity Commission's guidance on public benefit and this is shown in the reporting of the Charity's objectives and achievements. These are summarised below:

- The School provides fully residential places for up to 30 children who need education care and support and all are fully funded by local authorities, with no private placements.
- Loddon Training provides training to schools, residential, day services and supporting living settings from the statutory, private or voluntary sectors. The training is important and is in great demand and benefits children and adults with a wide range of needs and difficulties.
- The Charity provides support to parents and professionals needing advice and support.
- Loddon Training provides subsidised courses for parents and family carers.
- Staff contribute freely to national conferences and consultations.

# The Loddon Foundation Ltd

## REPORT OF THE TRUSTEES (continued)

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- The School invites the local community to share in events and observe the work.
- The Charity provides employment and training leading to national qualifications.
- The Charity shares its advanced knowledge of autism, learning disabilities and challenging behaviour with other professionals e.g. the SHIP PBS network group and other online forums.
- The Charity shares its expertise with local disability forums, and other charities.
- The Charity supports parents and families and other charities with training.

### Financial Review

The Charity has generated an increase in its unrestricted reserves of £1,730,424. The surplus was generated by the School £658,574, the investments £240,705 and Loddon Training and consultancy £194,597 and £636,548 from the sale of properties.

The surplus for the year plus depreciation have been transferred to a designated building fund which the Trustees have established to fund new buildings .

The principal source of income is school fees, accounting for 59% of the incoming revenues not including the sale of properties. This year our Schroders investment has made a generous return and continues to grow despite the turbulent market . The school fee income has been applied to provide residential care and education for the pupils in the School.

The income generated by the charity excluding the sale of properties has increased by 5% which is a result of an increase on existing students fees of 2.46% plus a 4% increase on new students within the year. We have also seen a rise in Loddon Trainings income due to the changes in RRN standards in adult social care which has meant we have seen an increased uptake in instructor courses.

Staff wages and salaries account for 70% of the costs of running the foundation. Wages and salaries have increased by £210k as staff had a 2% payrise across the board and bonuses were given on a scale to £30k depending on salary to help with cost of living pressures. With the increase in care vacancies our agency cost has exceeded £1m for the first time. The charity is acutely aware of the pressure to increase salary to remain competitive and reduce or care vacancy deficit therefore in 2022-23 a 4.5% pay increase will be given across the board.

The recruitment of care staff continues to be a significant issue confronting the Charity and we have seen an increase in care vacancies of 57% over the past year. The charity has decided once again to recruit from abroad as this has worked well in prior years.

During the year the Charity has spent £263,227 on capital investment. The capital expenditures included:

- Fire alarm upgrade (£49,272)
- Car parking bays (£38,984)
- Maintenance van (£8,995)
- ICT: Server (£15,858)
- ICT: Cabling in new houses (£4,076)
- ICT: Smart board (£2,589)
- Excavation of Japanese knotweed (£16,361)
- Forest Oak property (£127,092)

### Reserves and Financial Health

The Trustees regularly review the finances, budgets and spend against budget as part of the effective governance of the charity.

The Charity budgets to ensure the School is self funding but it is supported by the return on its investments and the surplus generate by LT to replace and renew the facilities the charity requires to pursue its charitable aims.

# The Loddon Foundation Ltd

## REPORT OF THE TRUSTEES (continued)

The level of school fees is reviewed annually by the Trustees in liaison with the Charity Leadership Team. Fee invoices are raised quarterly in advance which contributes to healthy cash balances at the beginning of each quarter. In the normal course of events therefore the Trustees do not foresee difficulties in the Charity's cash flow position.

The Trustees consider the greatest financial risk to the charity is the local authority austerity programme which has resulted in councils delaying payments and contesting inflationary increases in fees.

The Trustees consider it prudent to have a surplus to enable the School and LTC to continue operating during a period of reduced income or increased expenditure. A reserve equivalent to at least three months average expenditure is held.

The Trustee's will continue with the building project that has been established and will once again transfer the surplus made this year after capital expenditure into the separate Building Fund reserve.

	<u>2021/22</u>	<u>2020/2021</u>
	£	£
Total Funds	14,333,559	12,603,080
Less money:		
Invested in Fixed Assets	<u>8,925,767</u>	<u>9,199,167</u>
	5,407,792	3,403,913
Reserves:	5,402,392	3,364,913
Three months expenditure	2,090,000	1,825,000
Designated horticultural project	7,970	16,161
Designated building fund	3,262,342	1,523,727
Restricted Zambia fund	80	25
Capital expenditure	42,000	39,000
Money available for other charitable capital investment/activities	<u>5,400</u>	<u>-</u>

The Trustees will continue to review its reserves policy in the light of the economic climate to ensure they continue to be set at a realistic level.

### Investment Policy and Performance

The Trustees, having regard to the liquidity requirement of operating the Loddon Foundation and to the reserves policy, have formally operated a policy of keeping two thirds of the funds in Deposit accounts and one third in Equities and Bonds. At the year end the charity had cash deposits of £5,820,194 and £1,499,935 invested in the Cazenove charity multi-asset fund. The £5.8m held in cash represents: £3.2m held to fund phase 2 of the school building project and £2m held as a 3 month cost reserve with the balance representing the school fees paid in advance by the local authorities. Whilst currently more is held in deposits than the policy states, it has been left as cash reserves as it will be spent in the coming year on the new school buildings .

The investments in the Cazenove charity multi-asset fund has increased by £104,365. The trustees take a long-term view to investment and are pleased the initial investment of £1,000,000 made in January 2015 has increased to £1,499,935 over seven years.

The investment policy is continually reviewed in conjunction with the reserves policy.

# The Loddon Foundation Ltd

## REPORT OF THE TRUSTEES (continued)

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### Plans for Future Periods

Key objectives for the coming year have been agreed between the Board of Trustees and the Charity Leadership Team.

The continued focus of the Charity is to:

- Maintain the occupancy of the school at an average of 30 pupils for the coming year to generate a surplus to support the future phases of the building development programme.
- The Trustees will continue to work with consultants and the charity leadership team as the building strategy is applied to improve the facilities for the children over the next 5 years.
- Continue to invest in marketing through the implementation of the Marketing Strategy in order to increase the hit rate on both LT and school websites, raise awareness of the brands, promote LT courses and promote contact with the school.
- Deliver the PLLUSS® curriculum to a wider audience.
- Produce a series of online resources for parents, carers and the local community
- Develop additional materials to support organisations with the implementation of PROACT-SCIPr-UK® and facilitate compliance with the RRN Standards
- To host an Autumn Conference
- To reduce care staff vacancies, the School will invest an additional £10,000 into the recruitment budget for marketing of the School to entice new recruits.
- To add to research knowledge within the education and care of young people with autism.

### Risk Management

The Trustees have a risk management strategy and a Risk register which has been developed in partnership with the Charity Leadership Team. This is reviewed annually to highlight:

- Current and future risks that the Charity may face.
- The establishment of systems and procedures to limit those risks and mitigate any losses suffered.
- The implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

A key area that the Trustees review each year is the impact of possible conflicts of interest within the Board, especially in relation to Liaise Loddon Ltd. The Board feel that this area is well understood and managed especially now the number of current Trustees has increased.

At the operational level the Key risks facing the charity are:

- Reputational risk arising from a safeguarding incident. The school has extensive safeguarding policies which include safe recruitment at the time of appointment, extensive induction training which is regularly re-enforced and check procedures which are implemented at the first suggestion of any issue arising.
- Local authority funding from Central government is being cut back and this may eventually reduce the willingness of the local authorities to pay for the level of care provided by the school. The school holds the equivalent of three months of charity running costs back in reserves.
- The School must ensure it can continue to meet the changing standards required by Ofsted. To do this it employs a School improvement consultant and trains its staff at induction and re-enforces annually their safeguarding obligations.
- The recruiting of a full team of care staff has been difficult during the last four years and the risk has been mitigated by hiring agency staff.
- The difficulty the school has in recruiting care staff. The school is now applying to the government to recruit staff again from the European union which we hope will fill many of the outstanding vacancies.

# The Loddon Foundation Ltd

## REPORT OF THE TRUSTEES (continued)

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### TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

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

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the 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 judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records that 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.

So far as the Trustees are aware, there is no relevant audit information of which the charitable company's auditors are unaware. Additionally, the Trustees have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

The Report of the Directors and Trustees and incorporated Strategic Report was approved by

Mr S Fussey



Director & Chair of the Board of Trustees

Date: 27/7/22 ..... 2022

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LODDON FOUNDATION LTD

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### **Opinion**

We have audited the financial statements of The Loddon Foundation (the 'charitable company') for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet, the statement of cashflows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis of opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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 other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, 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.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LODDON FOUNDATION LTD

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### **Opinion on other matter prescribed by the Companies Act 2006**

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

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

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

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Trustees' Report or the Strategic Report, included within the Trustees' Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of Trustees**

As explained more fully in the Statement of Trustees' responsibilities set out on page 10, 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**

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.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LODDON FOUNDATION LTD

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### **The extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), and the Companies Act 2006. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statements including the Trustees' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents and reviewing the financial statement disclosures.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to Keeping Children Safe in Education under the Education Act 2002 and data protection. We performed audit procedures to inquire of management whether the charitable company is in compliance with these law and regulations and inspected correspondence.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and challenging any judgements and estimates applied by management.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LODDON  
FOUNDATION LTD

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**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.

*Kerry Gallagher*

KERRY GALLAGHER (Senior Statutory Auditor)  
For and on behalf of RSM UK Audit LLP, Statutory Auditor  
Chartered Accountants  
Davidson House  
Forbury Square  
Reading  
Berkshire, RG1 3EU

Date: 17 August 2022

# The Loddon Foundation Ltd

## STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

For the year ended 31 March 2022

	Notes	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
<b>INCOME FROM:</b>					
Charitable activities					
Operations of the School		7,828,650	-	7,828,650	7,512,401
Training and workshops		740,715	-	740,715	469,944
Donations		32,588	45,555	78,143	82,974
Investments	2	136,340	-	136,340	62,094
Gain on sale of property		636,548	-	636,548	-
<b>Total income</b>		<b>9,374,841</b>	<b>45,555</b>	<b>9,420,396</b>	<b>8,127,413</b>
<b>EXPENDITURE ON:</b>					
Charitable activities					
Operations of the School	3	7,202,664	45,500	7,248,164	6,912,139
Training and workshops	3	546,118	-	546,118	439,225
<b>Total expenditure</b>	<b>3</b>	<b>7,748,782</b>	<b>45,500</b>	<b>7,794,282</b>	<b>7,351,364</b>
Net income before net gain on investments		1,626,059	55	1,626,114	776,049
Net gain on investments	9	104,365	-	104,365	277,384
<b>NET MOVEMENT IN FUNDS</b>		<b>1,730,424</b>	<b>55</b>	<b>1,730,479</b>	<b>1,053,433</b>
<b>FUNDS BROUGHT FORWARD AT 1 APRIL</b>	<b>15</b>	<b>12,603,055</b>	<b>25</b>	<b>12,603,080</b>	<b>11,549,647</b>
<b>FUNDS CARRIED FORWARD AT 31 MARCH</b>	<b>15</b>	<b>14,333,479</b>	<b>80</b>	<b>14,333,559</b>	<b>12,603,080</b>

All amounts derive from continuing activities.

All gains and losses for the year are included in the Statement of Financial Activities.

# The Loddon Foundation Ltd

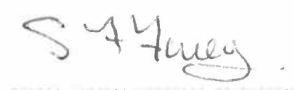
## BALANCE SHEET

As at 31 March 2022

	Notes	2022 £	2022 £	2021 £	2021 £
<b>FIXED ASSETS</b>					
Tangible assets	7		7,425,832		7,375,551
Investment properties	8		-		428,046
Investments	9		1,499,935		1,395,570
			<u>8,925,767</u>		<u>9,199,167</u>
<b>CURRENT ASSETS</b>					
Debtors	10	1,960,305		1,835,096	
Current asset investments	11	504,984		504,963	
Cash at bank and in hand		5,315,209		3,621,354	
		<u>7,780,498</u>		<u>5,961,413</u>	
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>					
	12	<u>(2,372,706)</u>		<u>(2,557,500)</u>	
<b>NET CURRENT ASSETS</b>					
			5,407,792		3,403,913
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
			<u>14,333,559</u>		<u>12,603,080</u>
<b>NET ASSETS</b>					
			<u>14,333,559</u>		<u>12,603,080</u>
<b>UNRESTRICTED FUNDS</b>					
General fund	15	11,063,167		11,063,167	
Designated funds	15	<u>3,270,312</u>		<u>1,539,888</u>	
			14,333,479		12,603,055
<b>RESTRICTED FUNDS</b>					
Zambia fund	15	<u>80</u>		<u>25</u>	
			80		25
<b>TOTAL FUNDS</b>					
			<u>14,333,559</u>		<u>12,603,080</u>

The financial statements on pages 15 to 31 were approved by the Trustees/Directors and authorised for issue on

27/1/22 ..... and are signed on their behalf by:



Mr S Fussey  
Chair

# The Loddon Foundation Ltd

## STATEMENT OF CASHFLOWS

For the year ended 31 March 2022

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	Notes	2022 £	2021 £
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net cash provided by operating activities	17	937,994	1,497,620
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of tangible fixed assets		(302,182)	(1,985,582)
Interest received		9,594	9,077
Proceeds on sale of tangible assets		1,048,470	-
Net cash generated from/(used in) investing activities		755,882	(1,976,505)
CHANGE IN CASH AND CASH EQUIVALENTS DURING THE YEAR		1,693,876	(478,885)
CASH AND CASH EQUIVALENTS AT 1 APRIL		4,126,317	4,605,202
CASH AND CASH EQUIVALENTS AT 31 MARCH	18	5,820,193	4,126,317

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# The Loddon Foundation Ltd

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2022

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### GENERAL INFORMATION

The Loddon Foundation Ltd is a private company limited by guarantee and incorporated in England and Wales. The address of the charitable company's registered office and principal place of business is The Loddon School, Wildmoor Lane, Sherfield-on-Loddon, Hook, Hampshire, RG27 0JD.

The objects of the Charity are the education, treatment and care of persons with learning disabilities. In addition, the Charity has a range of powers which include dissemination of good practice and to provide training, lectures and conferences both nationally and internationally.

The Charity achieves these through two principal activities: a School which provides education and care for 30 (2021: 30) children and the provision of training courses for other schools, residential, day services and supporting living settings from the statutory, private or voluntary sectors who support children and/or adults, through Loddon Training & Consultancy. The Charity also provides Outreach services within the UK and internationally through the provision of training and support to include a small on-going programme in Zambia.

### BASIS OF ACCOUNTING

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") under the historical cost convention, modified to include certain assets at fair value, in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP) (as amended for accounting periods commencing from 1 January 2019) and the requirements of the Companies Act 2006, including the provisions of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £1, except where otherwise indicated.

The Loddon Foundation Ltd meets the definition of a public benefit entity under FRS102.

### GOING CONCERN

The Trustees have reviewed the financial forecasts for the Charity and have in particular considered its anticipated income and expenditure commitments for a period of twelve months from the date of approval of these financial statements.

No material uncertainties that may cast significant doubt about the ability of the charitable company to continue as a going concern have been identified by the Trustees. The Charity has not been significantly impacted by COVID-19 as it is a residential care home and school which will continue to be supported by the relevant councils. Therefore, the financial statements have been prepared on a going concern basis.

### INCOME

Fees receivable and other income are accounted for in the period in which the service is provided. Pupils' fees are invoiced quarterly in advance. Training and workshop invoices are issued in advance of the course being provided. Such fees and income invoiced in advance are included on the Balance Sheet as deferred income.

Donations received for the general purposes of the Charity are credited to unrestricted funds. Donations for purposes restricted by the wishes of the donor are taken to restricted funds. The Loddon Foundation Ltd does not enter into activities specifically for the purpose of raising additional funds or donations.

# The Loddon Foundation Ltd

## NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2022

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### GOVERNMENT GRANTS

Government grants are recognised at the fair value of the assets received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or are receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

### EXPENDITURE

Expenditure is accounted for on an accruals basis. Overheads and other costs not directly attributable to particular functional activity categories are apportioned over the relevant categories on the basis of management estimates of the amount attributable to that activity in the year, either by reference to staff time or space occupied, as appropriate. The irrecoverable VAT is included with the item of expense to which it relates.

Governance costs comprise the costs of running the Charity, including external audit, any legal advice and indemnity insurance for the Trustees, costs of trustee meetings, and preparation of statutory accounts and attending to statutory requirements.

### TANGIBLE FIXED ASSETS

Tangible fixed assets costing more than £1,000 are capitalised and are stated at cost less depreciation and any provision for impairment. Depreciation is calculated to write off the cost of tangible fixed assets over their estimate useful lives as follows:

Freehold buildings	over 50 years
Property improvements	over 7 years
Motor vehicles	25% reducing balance basis
Fixtures, fittings and general equipment	15% straight line basis
Furniture, carpets, computers and high risk equipment	33.3% straight line basis

Assets in the course of construction are carried at cost, less any identified impairment loss. Cost includes professional fees and other directly attributable costs that are necessary to bring the asset to its operating condition. Depreciation commences when the assets are ready for their intended use.

### INVESTMENT PROPERTY

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured using the fair value model and stated at its fair value as at the reporting end date. The surplus or deficit on revaluation is recognised in the Statement of Financial Activities.

### FIXED ASSET INVESTMENTS

Listed investments are initially recognised at their transaction value and subsequently included in the balance sheet at fair value. Realised and unrealised gains and losses on disposals of investments, or on revaluation, are credited/charged to the Statement of Financial Activities.

# The Loddon Foundation Ltd

## NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2022

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### **REALISED AND UNREALISED GAINS AND LOSSES**

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening fair value (purchase date if later). Unrealised gains and losses are calculated as the difference between the fair value at the year end and opening fair value (or purchase date if later). Realised and unrealised gains are not separated in the Statement of Financial Activities.

### **CASH AND CASH EQUIVALENTS & CURRENT ASSET INVESTMENTS**

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

Current asset investments represent short-term investments with original maturities of more than three months.

### **OPERATING LEASES**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

### **PENSION SCHEME ARRANGEMENTS**

#### *Defined contribution plans*

The Charity makes contributions to personal pension arrangements in respect of all staff. The annual contributions payable are charged to the Statement of Financial Activities. The Charity also has a small number of employees that participate in the Teachers' Pensions Scheme a final salary scheme – details can be found in note 21.

### **FUNDS**

Restricted income funds are used to account for situations where the donor requires that funds must be spent on a particular purpose. All other funds are unrestricted income funds.

### **FINANCIAL INSTRUMENTS**

The charitable company 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 listed investments which are subsequently measured at fair value.

### **FINANCIAL ASSETS**

Trade debtors and other debtors which are receivable within one year are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

A provision for impairment of trade debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in income and expenditure for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in income or expenditure.

### **FINANCIAL LIABILITIES**

Creditors and provisions are recognised when the charitable company has a present obligation resulting from a past event that will probably result in a transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

# The Loddon Foundation Ltd

## NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2022

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### CORPORATION TAX

No provision for taxation, deferred or otherwise, has been made in the financial statements of the Charity, as The Loddon Foundation Ltd is a charity in accordance with the Charities Act 2011 and is exempt from taxation.

### EMPLOYEE BENEFITS

The costs of short-term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Redundancy payments are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

### CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### *Critical accounting estimates and assumptions*

The charitable company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

There are no estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

#### 1 INCOME

	2022	2021
Income analysed by class of business:	£	£
Charitable activities	8,569,365	7,982,345
Donations	78,143	82,974
Investment income (see note 2)	136,340	62,094
Gain on sale of property	636,548	-
	<u>9,420,396</u>	<u>8,127,413</u>

Income of £45,555 (2021: £43,960) is restricted and £9,374,841 (2021: £8,083,453) is unrestricted income.

Charitable activities income includes government grant income of £51,960 (2021: £2,721) in respect of the Teachers Pension Grant and COVID catch-up premium funding available to the School.

Included in donations income is an amount of £Nil (2021: £34,731) which the School has allocated to the building development fund and included in designated funds. Further details of the designated funds are provided in note 15.

# The Loddon Foundation Ltd

## NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2022

### 2 INVESTMENT INCOME

	2022 £	2021 £
Bank interest receivable	9,594	9,077
Rental income	(13,254)	53,017
Lease surrender	140,000	-
	136,340	62,094

In both the current and prior year, all investment income was unrestricted.

### 3 EXPENDITURE

	Basis of allocation	Operation of the School	Training and workshop costs	2022 total £	2021 total £
Staff costs	Direct	5,700,602	339,947	6,040,549	5,808,766
Direct costs	Direct	409,114	97,751	506,865	457,093
Overheads	Direct	331,926	104,900	436,826	367,779
Recruitment costs	Direct	57,050	-	57,050	54,354
Premises costs	Direct	460,783	3,354	464,137	414,101
Depreciation	Direct	266,805	166	266,971	229,518
Governance	Direct	21,884	-	21,884	19,753
		7,248,164	546,118	7,794,282	7,351,364

Expenditure of £45,500 (2021: £44,000) is from restricted funds and £7,748,782 (2021: £7,307,364) is from unrestricted funds.

### 4 NET MOVEMENT IN FUNDS

	2022 £	2021 £
Net movement in funds is stated after charging/(crediting):		
Auditor's remuneration		
- Audit	15,245	15,245
- Teachers pension audit	1,120	1,120
- Other services	3,090	3,090
Depreciation	266,970	229,518
(Gain)/loss on disposal of tangible fixed assets:		
- Property	(636,548)	-
- Motor vehicles	1,055	-
Operating lease rentals	8,901	19,288

# The Loddon Foundation Ltd

## NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2022

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### 5 STAFF COSTS

	2022	2021
	£	£
Staff costs during the year were:		
Wages and salaries	4,112,333	4,123,305
Social security costs	377,949	378,147
Pension costs	221,246	214,672
Agency costs	1,197,320	982,380
	<hr/>	<hr/>
	5,908,848	5,698,504
	<hr/>	<hr/>

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

	2022	2021
	No	No
School	159	169
Training and workshops	8	8
	<hr/>	<hr/>
	167	177
	<hr/>	<hr/>

The number of employees, included in the above, emoluments, excluding pension contributions, fell within the following ranges were:

	2022	2021
	No	No
£60,001 - £70,000	1	1
£70,001 - £80,000	1	-
£80,001 - £90,000	-	1
	<hr/>	<hr/>

Pension contributions of £24,615 (2021: £24,239) were made in respect of the above employees.

### 6 TRUSTEES' REMUNERATION AND EXPENSES

The Trustees did not receive any remuneration during the year ended 31 March 2022 (2021: £Nil). Expenses relating to travel and meetings totalling £221 were reimbursed to two Trustees (2021: £64 to one Trustee). Gifts were also made to one trustee totalling £80 (2021: £35).

# The Loddon Foundation Ltd

## NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2022

### 7 TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Assets in the course of construction £	Motor vehicles £	Fixtures fittings and equipment £	Total £
<b>Cost</b>					
At 1 April 2021	7,626,926	2,206,415	182,278	169,775	10,185,394
Additions	231,709	38,955	8,995	22,523	302,182
Disposals	(681,567)	-	(4,250)	-	(685,817)
Transfers	2,634,461	(2,206,415)	-	-	428,046
31 March 2022	9,811,529	38,955	187,023	192,298	10,229,805
<b>Depreciation</b>					
At 1 April 2021	2,525,806	-	129,103	154,934	2,809,843
Charged in the year	237,583	-	14,451	14,936	266,970
Eliminated on disposal	(269,818)	-	(3,022)	-	(272,840)
31 March 2022	2,493,571	-	140,532	169,870	2,803,973
Net book value 31 March 2022	7,317,958	38,955	46,491	22,428	7,425,832
Net book value 31 March 2021	5,101,120	2,206,415	53,175	14,841	7,375,551

### 8 INVESTMENT PROPERTY

	£
<b>Fair value</b>	
At 1 April 2021	428,046
Transfers	(428,046)
At 31 March 2022	-

The fair value of the investment property has been arrived at on the basis of a valuation carried out in January 2015 by Wadham and Isherwood, who are not connected to the company.

During the current year, the lease was surrendered and the investment property was transferred to tangible fixed assets. The Trustees deemed that there was no change to the value of the investment property prior to its transfer to tangible fixed assets.

The Loddon Foundation Ltd  
 NOTES TO THE FINANCIAL STATEMENTS (continued)  
 For the year ended 31 March 2022

9	FIXED ASSET INVESTMENTS		Listed investments £
	Market value at 1 April 2021		1,395,570
	Gain on investment		104,365
			<hr/>
	Market value at 31 March 2022		1,499,935
			<hr/>
	Investments at market value comprised:		
		2022	2021
		£	£
	UK Equities and investment funds	1,499,935	1,395,570
		<hr/>	<hr/>
	Market value at 31 March	1,499,935	1,395,570
		<hr/>	<hr/>
10	DEBTORS	2022	2021
		£	£
	Trade debtors	1,821,385	1,754,447
	Prepayments and accrued income	128,427	74,537
	Other debtors	10,493	6,112
		<hr/>	<hr/>
		1,960,305	1,835,096
		<hr/>	<hr/>
11	CURRENT ASSET INVESTMENT	2022	2021
		£	£
	Unlisted investments	504,984	504,963
		<hr/>	<hr/>

Current asset investments relate to short term bonds with maturities of more than 3 months but less than 12.

# The Loddon Foundation Ltd

## NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2022

12	CREDITORS: Amounts falling due within one year	2022 £	2021 £
	Trade creditors	153,977	110,458
	Other creditors	92,301	70,849
	Accruals and deferred income	2,126,428	2,376,193
		<u>2,372,706</u>	<u>2,557,500</u>

At the year end pension contributions of £21,356 (2021: £23,088) were outstanding and included in creditors.

### 13 DEFERRED INCOME

Deferred income relates to termly School fees and training course fees invoiced in advance. All fees will be released to the Statement of Financial Activities within 12 months of the Balance Sheet date.

	2022 £	2021 £
Balance brought forward	2,142,105	1,868,722
Amounts released to income	(2,142,105)	(1,868,722)
Amounts deferred in the year	2,043,748	2,142,105
	<u>2,043,748</u>	<u>2,142,105</u>

### 14 FINANCIAL INSTRUMENTS

CARRYING AMOUNT OF FINANCIAL ASSETS  
Instruments measured at fair value through profit or loss

	2022 £	2021 £
	<u>1,499,935</u>	<u>1,395,570</u>

# The Loddon Foundation Ltd

## NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2022

### 15 FUNDS

	At 1 April 2021 £	Income £	Expenditure £	Transfers £	At 31 March 2022 £
<b>RESTRICTED FUNDS</b>					
Zambia fund	25	45,555	(45,500)	-	80
<b>TOTAL RESTRICTED FUNDS</b>	<b>25</b>	<b>45,555</b>	<b>(45,500)</b>	<b>-</b>	<b>80</b>
<b>UNRESTRICTED FUNDS</b>					
General fund	11,063,167	9,479,206	(7,740,591)	(1,738,615)	11,063,167
Designated fund – Building development fund	1,523,727	-	-	1,738,615	3,262,342
Designated fund – Horticultural project fund	16,161	-	(8,191)	-	7,970
<b>TOTAL UNRESTRICTED FUNDS</b>	<b>12,603,055</b>	<b>9,479,206</b>	<b>(7,748,782)</b>	<b>-</b>	<b>14,333,479</b>
<b>TOTAL FUNDS</b>	<b>12,603,080</b>	<b>9,524,761</b>	<b>(7,794,282)</b>	<b>-</b>	<b>14,333,559</b>
<b>RESTRICTED FUNDS</b>					
Zambia fund	65	43,960	(44,000)	-	25
<b>TOTAL RESTRICTED FUNDS</b>	<b>65</b>	<b>43,960</b>	<b>(44,000)</b>	<b>-</b>	<b>25</b>
<b>UNRESTRICTED FUNDS</b>					
General fund	9,053,217	8,326,106	(7,307,364)	991,208	11,063,167
Designated fund – Building development fund	2,470,204	34,731	-	(981,208)	1,523,727
Designated fund – Horticultural project fund	26,161	-	-	(10,000)	16,161
<b>TOTAL UNRESTRICTED FUNDS</b>	<b>11,549,582</b>	<b>8,360,837</b>	<b>(7,307,364)</b>	<b>-</b>	<b>12,603,055</b>
<b>TOTAL FUNDS</b>	<b>11,549,647</b>	<b>8,404,797</b>	<b>(7,351,364)</b>	<b>-</b>	<b>12,603,080</b>

# The Loddon Foundation Ltd

## NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2022

### 15 FUNDS (continued)

#### Designated fund – Building Development Fund

The School has set up a designated fund to demonstrate to third parties (local authorities) the need to generate a surplus each year in order to modernise our facilities.

#### Designated fund - Horticultural project fund

The School has received a donation from Drayton Manor which is being used for the new outdoor classroom.

#### Restricted fund – Zambia fund

The School has received specific donations for its activities in Zambia. Where funds are donated for a specific purpose they are held in restricted funds until they are spent for the purpose the donor intended.

16 ANALYSIS OF NET ASSETS BETWEEN FUNDS AT 31 MARCH 2022	Unrestricted funds £	Restricted general funds £	Total funds £
Tangible fixed assets	7,425,832	-	7,425,832
Investments	1,499,935	-	1,499,935
Cash at bank and in hand	5,315,209	-	5,315,209
Other net current assets	2,465,209	80	2,465,289
Net current liabilities	(2,372,706)	-	(2,372,706)
<b>TOTAL NET ASSETS AT 31 MARCH 2022</b>	<b>14,333,479</b>	<b>80</b>	<b>14,333,559</b>
ANALYSIS OF NET ASSETS BETWEEN FUNDS AT 31 MARCH 2021	Unrestricted funds £	Restricted general funds £	Total funds £
Tangible fixed assets	7,375,551	-	7,375,551
Investment properties	428,046	-	428,046
Investments	1,395,570	-	1,395,570
Cash at bank and in hand	3,621,354	-	3,621,354
Other net current assets	2,340,034	25	2,340,059
Net current liabilities	(2,557,500)	-	(2,557,500)
<b>TOTAL NET ASSETS AT 31 MARCH 2021</b>	<b>12,603,055</b>	<b>25</b>	<b>12,603,080</b>

# The Loddon Foundation Ltd

## NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2022

17 RECONCILIATION OF NET INCOME TO NET CASH INFLOW FROM OPERATING ACTIVITIES	2022 £	2021 £
Net income	1,730,479	1,053,433
Depreciation	266,970	229,518
Gain on investments	(104,365)	(277,384)
Interest receivable	(9,594)	(9,077)
(Increase)/decrease in debtors	(125,209)	5,781
(Decrease)/increase in creditors	(184,794)	495,349
Gain on disposal of assets	(635,493)	-
	<hr/>	<hr/>
NET CASH INFLOW FROM OPERATING ACTIVITIES	937,994	1,497,620
	<hr/>	<hr/>

## 18 ANALYSIS OF NET DEBT

	1 April 2021 £	Cash flows £	Other non- cash changes £	31 March 2022 £
Cash in hand, at bank	3,621,354	1,693,875	-	5,315,209
Current asset investments	504,963	21	-	504,984
	<hr/>	<hr/>	<hr/>	<hr/>
NET FUNDS	4,126,317	1,693,896	-	5,820,193
	<hr/>	<hr/>	<hr/>	<hr/>

## 19 RELATED PARTY TRANSACTIONS

As at 31 March 2022 no amounts were owed by related parties (2021: £Nil).

Total donations received from Trustees amounted to £48,340 (2021: £43,830).

## 20 KEY MANAGEMENT PERSONNEL

The total remuneration of the employees, who are considered to be the key management personnel of the Charity, was £373,074 (2021: £376,030) including employer's national insurance of £34,926 (2021: £35,524).

# The Loddon Foundation Ltd

## NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2022

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### 21 PENSION AND SIMILAR OBLIGATIONS

The School participates in the Teachers' Pension Scheme ("England and Wales") ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £56,423 (2021: £50,077).

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

There is insufficient information to account for the scheme as a defined benefit plan so it is accounted for as a defined contribution plan.

The Charity also makes contributions to personal pension arrangements in respect of all staff. Contributions to these schemes for the year were £160,216 (2021: £164,595).

All pension contributions and liabilities are allocated to unrestricted funding, as all staff costs relate to the general operation of the School.

#### **Valuation of the Teachers' Pension Scheme**

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. A consultation was launched by the government on 16 July 2020, and closed to responses on 11 October 2020.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020 and the government is preparing to complete the cost control element of the 2016 valuations, which is expected to be completed in 2021.

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

# The Loddon Foundation Ltd

## NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2022

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### 21 PENSION AND SIMILAR OBLIGATIONS (continued)

Until the consultation and the cost cap mechanism review are completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

### 22 OTHER FINANCIAL COMMITMENTS

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2022	2021
	£	£
Leases which expire:		
Within one year	6,556	5,377
In two to five years	15,721	3,099
	<hr/>	<hr/>
	22,277	8,476
	<hr/>	<hr/>

### 23 CAPITAL COMMITMENTS

Amounts committed to be paid but not provided in the financial statements for the construction of new buildings amounted to £Nil (2021: £80,000).

