

The Loddon Foundation Ltd
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

for the year ended

31 March 2021

Company Registration Number 02448785
Charity Number 802188

The Loddon Foundation Ltd

REFERENCE AND ADMINISTRATIVE DETAILS

DIRECTORS (TRUSTEES)	Mrs M L Cornick MBE (Founder) Mr S Fussey (Chair) Mrs J Lewendon – Resigned 16/09/20 Ms J Wright – Deputy Chair 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

The Trustees of The Loddon Foundation Ltd present their annual report and audited accounts for the year ended 31 March 2021 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 both 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 has resigned from the Charity this year and we have replaced this Trustee with one 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 & Consultancy – 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)

- 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.
- LTC / Training and Outreach
 - Provide Strategic direction to the Loddon Training and Consultancy 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 is supporting teachers and school 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 & Consultancy, 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 & Consultancy. 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 & Consultancy 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

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)

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 & 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.

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 & Consultancy. 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 accredited by BILD (British Institute of Learning Disabilities) and known as PROACT-SCIPr-UK® through Loddon Training & Consultancy. 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 & Consultancy delivers this training to organisations throughout the UK and there are in the region of 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 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 & Consultancy uses off-site training facilities at Field House Barn, a training facility providing for the increasing number of courses and 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 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 and key performance indicators set in last year's annual report:

Objectives Set Last Year	Achievements
Maintain the occupancy of the School at an average of 28 students to generate a surplus to support the future phases of the development program.	The average student numbers for the last financial year are 29.8. Maintaining a full cohort of 30 students for the majority of the year has enabled the School to generate money towards the building project. Phase one is now completed and paid for.
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.	The working party has continued to meet on a regular basis, and we have now submitted the planning request for phase 2 of the project. Work continues to raise the final elements of money required before hopefully starting to build again in summer 2022.
To reduce care staff vacancies, the School will invest £30,000 into the recruitment budget for marketing of the School to entice new recruits.	A radio campaign was launched and in full flow just before the start of the national Lockdown. This had a positive effect on the linked recruitment activities. A new approach to marketing the School and our outward facing work is being developed to aid local and regional recruitment. Agency staff were block booked throughout the pandemic in order to prevent the circulation of staff between other providers and our School.
To review and develop our information systems to support business growth.	A review of our current system has been completed and we continue to work on the development phase to enable us to achieve a sustainable integrated system to support the business need.
To develop the e-learning platform to facilitate additional courses for the LD/autism sector.	The online e-learning platform is developed and has proven invaluable. Our PROACT-SCIPr-UK® courses were added in the first instance to ensure continuity of business by enabling us to provide a blended learning approach and fulfil our customer requirements throughout the Covid-19 pandemic. Additional Courses continue to be developed.
To add to the research knowledge within the education and care of young people with autism.	Several papers have been published this year written by the Principal in Insight journal for Optimus Education related to the teaching of children with SEND and autism. Head of Training completed her master's degree on staff well-being of staff working in a residential setting. The School also aid the research of the Human Rights Commission with work on restraint in schools, emphasising our positive proactive approach.

The Loddon Foundation Ltd

REPORT OF THE TRUSTEES (continued)

Development of the Charity (Trustees)

- Following a strategic review the trustees have submitted the planning request for phase 2 of the building project. The trustees are looking to sell two of the foundation properties to help fund the development and seeking support of donations externally so that they can commence the project as early as possible.
- The Trustees are reviewing the viability of keeping Field house barn now the tenant who shared the building with us has now left. Due to the glut of office buildings in the Basingstoke area it is difficult to relet the premises. The trustees are exploring the possibility of selling the barn for residential development. LTC would be located to a smaller and more appropriately sized facility.
- The chairman of the trustees is leading a strategic review of the external training provided by LTC and looking to review the organisation and find new ways of training to spread the learning of the School's pioneering methods.

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:

- The year has been dominated by a Global Pandemic and national lockdown. While other schools were closed or offering a reduced service the Loddon School remained fully open and delivered a full service to all 30 students throughout the year. This has been achieved through an amazing team effort, the integrated approach to our work showing its true benefits in these extreme conditions.
- Several articles have been written and published by the Principal this year and the School has work published in Optimus Education journal, The Parliamentary Review, and the editorial section for the Good SEN school guide.
- Our reputation for knowledge, innovational practice and training has grown and we have been approached by several national organisations to assist other schools and special provisions with strategies for behaviour or curriculum delivery.
- The School has been awarded the provider status for Forest Schools, Trailblazer status for outdoor learning, Level 5 Silver award by the Royal Horticultural society and the Sleep Right mark.
- The School continued to take part in the National Schools Shakespeare Festival. This year it was held virtually, and a film of A Midsummer Night's Dream was created. The film allowed a larger number of children to be involved rather than the usual live theatre production. We are pleased to see that in future the SSF is going to combine the film and theatre elements.
- The School has been very creative in its approach this year as lockdown prevented shopping trips and other community leisure facilities to be visited. We have created our own shop which includes a small post office, and a tuck shop. At Christmas we extended the shop into the courtyard for an outdoor market.
- Replacing the annual winter concert all parents received an feature film showing similar performances as those normally shown but enhanced by green screen production, our own musical rock band and a newly composed School song which can be easily sung by all.
- Throughout the lockdown period we have watched the building of two large bungalows which will replace two of our old houses and provide purpose designed specialist accommodation and learning environment within the main site.

The Loddon Foundation Ltd

REPORT OF THE TRUSTEES (continued)

Training & Consultancy

LTC responded rapidly to the changing requirements caused by the Covid-19 pandemic, adapting its approach to the delivery of training and consultancy to maintain a responsive approach to fulfilling customer requirements.

- LTC successfully gained accreditation by Bild Association of Certificated Training (ACT) against the Restraint Reduction Network Standards (RRN) for the provision of PROACT-SCIPr-UK® 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.
- PROACT-SCIPr-UK® courses have been transferred to our online learning platform to facilitate a blended learning experience for the learner and to ensure continued training delivery and services for the customer.
- Trainers have developed skills in the creation and delivery of courses and provision of consultancy services online using video conferencing.
- Requirements for consultancy services has increased with a greater emphasis on organisation specific support around individuals with complex needs.

Outreach

- Requests for advice and support has been offered through video conferencing to a wide audience to include parents and families.
- Introduction of Social Media as a mechanism to circulate hints and tips and provide support for parents and carers during lockdown

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 & Consultancy 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.
- LTC provides subsidised courses for parents and family carers.
- Staff contribute freely to national conferences and consultations.
- 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.
- The Charity shares its expertise with local disability forums, and other charities.
- The Charity supports charities internationally with training.

The Loddon Foundation Ltd

REPORT OF THE TRUSTEES (continued)

Financial Review

The Charity has generated an increase in its unrestricted reserves of £1,053,473. The surplus was generated by the School £683,276, the investments £339,478. and Loddon Training and consultancy £30,719.

The surplus for the year plus depreciation plus funds 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 64% of the incoming revenues. This year our Schroders investment has made a generous return and recovered last year's deficit. The school fee income has been applied to provide residential care and education for the students within the School.

The income generated by the Charity has increased by 5% due to an increase in the average number of Students within the year plus we have increased our existing student fees by 2.32% and raised new student fees by 4%. Overheads in general were lower this year as a result of the pandemic restricting the students leisure activities and unable to allow external therapists on site.

Staff wages and salaries account for 71% of the costs of running the foundation. The total cost of staffing increased from last year and cost the foundation approximately £300k over the cost of full staffing. This is a result of having to block book agency staff since March 2020 to ensure that we had sufficient levels of staffing to remain open during the pandemic. Wages and salaries have increased by £402k as staff received a 2% pay rise across the board and care staff and domestics were given a £125 bonus and the Charity leadership team were given a £1,000 bonus as a thank you from the Trustees for coping with the pressures of working through Covid -19.

The recruitment of care staff continues to be a significant issue confronting the Charity because of the nature of the job and finding the correct person for the role. This year we have been unable to attend job fairs and have instead attended them online and recruited through radio advertising.

During the year the Charity has spent £45,259 on capital investment. The capital expenditures included:

- School Vehicle (£33,977)
- ICT: Back up storage (£3,192)
- In ground trampoline (£4,181)
- Coffee Machine (£1,831)
- Frieght container (£2,078)

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 LTC to replace and renew the facilities the Charity requires to pursue its charitable aims.

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 of three months average expenditure is held.

The Loddon Foundation Ltd

REPORT OF THE TRUSTEES (continued)

The funds available this year will continue to be transferred over for phase 2 of the building project that has been established. Phase 2 of the building project is estimated to be a cost to the charity of £3.4 million of which we are £1.1 million short with the funds available to be transferred over included.

	<u>2020/21</u>	<u>2019/2020</u>
	£	£
Total Funds	12,603,080	11,549,647
Less money :		
Invested in Fixed Assets	<u>9,199,167</u>	<u>7,165,719</u>
	3,403,913	4,383,928
Reserves:	3,364,913	4,318,430
Three months expenditure	1,825,000	1,822,000
Designated horticultural project	16,161	26,161
Designated building fund	1,523,727	2,470,204
Restricted Zambia fund	25	65
Capital expenditure	39,000	-
Money available for other charitable capital investment/activities	<u>-</u>	<u>65,498</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 £4,126,317 and £1,395,570 invested in the Cazenove charity multi-asset fund. 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 £277,384. 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 £1,395,570 over six years.

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

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:

- Improvement of the environment – as we have completed phase one 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.

The Loddon Foundation Ltd

REPORT OF THE TRUSTEES (continued)

- Development of our outreach and community involvement - develop more local community projects for people with learning disabilities, families with children and adults with autism.
These will include: Yoga, sensory circuit sessions, Family play therapy, Listen and Tell – speech and Language sessions, music therapy, drama therapy and drop-in consultations. We are also providing a wider range of training– First Aid at Work, Emotional Health First Aid, Education and training, Leadership.
- Further develop opportunities for career development and recruitment of high-quality staff. Re-structure of the Care teams and working day to give better working conditions and more opportunity for career progression within the School.
- To add to research knowledge within the education and care of young people with autism.
- 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
- 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.
- To promote the Loddon Whole Approach Curriculum by implementing a revised marketing strategy
- To introduce a fully integrated management system to support the business function of LTC.

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.

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 staffing levels of the School during the Pandemic. We have mitigated this throughout the year by blockbooking agency to ensure we have sufficient levels of staffing and to the lower the risk of transmission to staff and students as they will not be working at other care sites.

The Loddon Foundation Ltd

REPORT OF THE TRUSTEES (continued)

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:  2021

28 July 2021

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

Opinion

We have audited the financial statements of The Loddon Foundation (the 'charitable company') for the year ended 31 March 2021 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 2021 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

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

The extent to which the audit was condiered 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

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.

RSM UK Audit LLP

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: 12 August 2021

The Loddon Foundation Ltd

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

For the year ended 31 March 2021

	Notes	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
INCOME FROM:					
Charitable activities					
Operations of the School		7,512,401	-	7,512,401	6,936,926
Training and workshops		469,944	-	469,944	577,450
Donations		39,014	43,960	82,974	110,847
Investments	2	62,094	-	62,094	82,121
Total income		8,083,453	43,960	8,127,413	7,707,344
EXPENDITURE ON:					
Charitable activities					
Operations of the School	3	6,868,139	44,000	6,912,139	6,477,709
Training and workshops	3	439,225	-	439,225	524,737
Total expenditure	3	7,307,364	44,000	7,351,364	7,002,446
Net income/(expenditure) before net gain/(loss) on investments		776,089	(40)	776,049	704,898
Net gain/(loss) on investments	9	277,384	-	277,384	(91,776)
NET MOVEMENT IN FUNDS		1,053,473	(40)	1,053,433	613,122
FUNDS BROUGHT FORWARD AT 1 APRIL	15	11,549,582	65	11,549,647	10,936,525
FUNDS CARRIED FORWARD AT 31 MARCH	15	12,603,055	25	12,603,080	11,549,647

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 2021

	Notes	2021 £	2021 £	2020 £	2020 £
FIXED ASSETS					
Tangible assets	7		7,375,551		5,619,487
Investment properties	8		428,046		428,046
Investments	9		1,395,570		1,118,186
			<u>9,199,167</u>		<u>7,165,719</u>
CURRENT ASSETS					
Debtors	10	1,835,096		1,840,877	
Current asset investments	11	504,963		504,957	
Cash at bank and in hand		3,621,354		4,100,245	
		<u>5,961,413</u>		<u>6,446,079</u>	
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	12	<u>(2,557,500)</u>		<u>(2,062,151)</u>	
NET CURRENT ASSETS			<u>3,403,913</u>		<u>4,383,928</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>12,603,080</u>		<u>11,549,647</u>
NET ASSETS			<u>12,603,080</u>		<u>11,549,647</u>
UNRESTRICTED FUNDS					
General fund	15	11,063,167		9,053,217	
Designated funds	15	<u>1,539,888</u>		<u>2,496,365</u>	
			<u>12,603,055</u>		<u>11,549,582</u>
RESTRICTED FUNDS					
Zambia fund	15	<u>25</u>		<u>65</u>	
			<u>25</u>		<u>65</u>
TOTAL FUNDS			<u>12,603,080</u>		<u>11,549,647</u>

The financial statements on pages 15 to 31 were approved by the Trustees/Directors and authorised for issue on
28 July 2021 and are signed on their behalf by:

Mr S Fussey
 Chair

The Loddon Foundation Ltd

STATEMENT OF CASHFLOWS

For the year ended 31 March 2021

	Notes	2021 £	2020 £
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net cash provided by operating activities	17	1,497,620	609,370
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of tangible fixed assets		(1,985,582)	(272,595)
Interest received		9,077	26,098
Proceeds on sale of tangible assets		-	-
Net cash used in investing activities		(1,976,505)	(246,497)
CHANGE IN CASH AND CASH EQUIVALENTS DURING THE YEAR		(478,885)	362,873
CASH AND CASH EQUIVALENTS AT 1 APRIL		4,605,202	4,242,329
CASH AND CASH EQUIVALENTS AT 31 MARCH	18	4,126,317	4,605,202

The Loddon Foundation Ltd

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

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 (2020: 28) 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 2021

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 2021

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 2021

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

	2021	2020
	£	£
Income analysed by class of business:		
Charitable activities	7,982,345	7,514,376
Donations	82,974	110,847
Interest	9,077	26,098
Rental income	53,017	56,023
	<hr/>	<hr/>
	8,127,413	7,707,344
	<hr/>	<hr/>

Income of £43,960 (2020: £4,815) is restricted and £8,083,453 (2020: £7,702,529) is unrestricted income.

Charitable activities income includes government grant income of £2,721 (2020: £7,921) 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 £34,731 (2020: £100,000) 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 2021

2 INVESTMENT INCOME

	2021 £	2020 £
Bank interest receivable	9,077	26,098
Rental income	53,017	56,023
	<hr/>	<hr/>
	62,094	82,121
	<hr/>	<hr/>

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	2021 total £	2020 total £
Staff costs	Direct	5,487,875	320,891	5,808,766	5,450,813
Direct costs	Direct	401,295	55,798	457,093	472,309
Overheads	Direct	308,796	58,983	367,779	350,575
Recruitment costs	Direct	54,354	-	54,354	50,314
Premises costs	Direct	410,747	3,354	414,101	435,037
Depreciation	Direct	229,319	199	229,518	226,840
Governance	Direct	19,753	-	19,753	16,558
		<hr/>	<hr/>	<hr/>	<hr/>
		6,912,139	439,225	7,351,364	7,002,446
		<hr/>	<hr/>	<hr/>	<hr/>

Expenditure of £44,000 (2020: £4,750) is from restricted funds and £7,307,364 (2020: £6,997,696) is from unrestricted funds.

4 NET MOVEMENT IN FUNDS

Net movement in funds is stated after charging:	2021 £	2020 £
Auditor's remuneration		
- Audit	15,245	13,860
- Teachers pension audit	1,120	1,020
- Other services	3,090	2,940
Depreciation	229,518	226,840
Operating lease rentals	19,288	18,774
	<hr/>	<hr/>

The Loddon Foundation Ltd

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2021

5 STAFF COSTS

	2021 £	2020 £
Staff costs during the year were:		
Wages and salaries	4,123,305	3,896,996
Social security costs	378,147	351,745
Pension costs	214,672	190,180
Agency costs	982,380	857,420
	<hr/>	<hr/>
	5,698,504	5,296,341
	<hr/>	<hr/>

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

	2021 No	2020 No
School	169	156
Training and workshops	8	7
	<hr/>	<hr/>
	177	163
	<hr/>	<hr/>

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

	2021 No	2020 No
£60,001 - £70,000	1	-
£70,001 - £80,000	-	1
£80,001 - £90,000	1	-
	<hr/>	<hr/>

Pension contributions of £24,239 (2020: £15,519) 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 2021 (2020: £nil). Expenses relating to travel and meetings totalling £64 were reimbursed to one Trustee (2020: £430 to three Trustees).

The Loddon Foundation Ltd

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2021

7 TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Assets in the course of construction £	Motor vehicles £	Fixtures fittings and equipment £	Total £
Cost					
At 1 April 2020	7,620,667	266,092	148,301	164,752	8,199,812
Additions	6,259	1,940,323	33,977	5,023	1,985,582
31 March 2021	7,626,926	2,206,415	182,278	169,775	10,185,394
Depreciation					
At 1 April 2020	2,328,246	-	115,164	136,915	2,580,325
Charged in the year	197,560	-	13,939	18,019	229,518
31 March 2021	2,525,806	-	129,103	154,934	2,809,843
Net book value 31 March 2021	5,101,120	2,206,415	53,175	14,841	7,375,551
Net book value 31 March 2020	5,292,421	266,092	33,137	27,837	5,619,487

8 INVESTMENT PROPERTY

Fair value	£
At 1 April 2020 and 31 March 2021	428,046

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.

The Trustees have reviewed the current rental yields provided by London Clancy and deem that there is no change to investment property valuation as at 31 March 2021.

Subsequent to the reporting date, the lease was surrendered and the investment property was transferred to tangible fixed assets.

The Loddon Foundation Ltd

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2021

9 FIXED ASSET INVESTMENTS		Listed investments £
Market value at 1 April 2020		1,118,186
Gain on investment		277,384
		<hr/>
Market value at 31 March 2021		1,395,570
		<hr/>
Investments at market value comprised:		
	2021 £	2020 £
UK Equities and investment funds	1,395,570	1,118,186
	<hr/>	<hr/>
Market value at 31 March	1,395,570	1,118,186
	<hr/>	<hr/>
10 DEBTORS	2021 £	2020 £
Trade debtors	1,754,447	1,761,388
Prepayments and accrued income	74,537	72,274
Other debtors	6,112	7,215
	<hr/>	<hr/>
	1,835,096	1,840,877
	<hr/>	<hr/>
11 CURRENT ASSET INVESTMENT	2021 £	2020 £
Unlisted investments	504,963	504,957
	<hr/>	<hr/>
	504,963	504,957
	<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 2021

12	CREDITORS: Amounts falling due within one year	2021 £	2020 £
	Trade creditors	110,458	85,370
	Other creditors	70,849	56,601
	Accruals and deferred income	2,376,193	1,920,180
		<hr/>	<hr/>
		2,557,500	2,062,151
		<hr/>	<hr/>

At the year end pension contributions of £23,088 (2020: £21,869) 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.

	2021 £	2020 £
Balance brought forward	1,868,722	1,614,279
Amounts released to income	(1,868,722)	(1,614,279)
Amounts deferred in the year	2,142,105	1,868,722
	<hr/>	<hr/>
Balance carried forward	2,142,105	1,868,722
	<hr/>	<hr/>

14	FINANCIAL INSTRUMENTS	2021 £	2020 £
	CARRYING AMOUNT OF FINANCIAL ASSETS		
	Instruments measured at fair value through profit or loss	1,395,570	1,118,186
		<hr/>	<hr/>

The Loddon Foundation Ltd

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2021

15 FUNDS

	At 1 April 2020 £	Income £	Expenditure £	Transfers £	At 31 March 2021 £
RESTRICTED FUNDS					
Zambia fund	65	43,960	(44,000)	-	25
TOTAL RESTRICTED FUNDS	65	43,960	(44,000)	-	25
UNRESTRICTED FUNDS					
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
TOTAL UNRESTRICTED FUNDS	11,549,582	8,360,837	(7,307,364)	-	12,603,055
TOTAL FUNDS	11,549,647	8,404,797	(7,351,364)	-	12,603,080
	At 1 April 2019 £	Income £	Expenditure £	Transfers £	At 31 March 2020 £
RESTRICTED FUNDS					
Zambia fund	-	4,815	(4,750)	-	65
TOTAL RESTRICTED FUNDS	-	4,815	(4,750)	-	65
UNRESTRICTED FUNDS					
General fund	8,972,118	7,602,529	(7,086,377)	(435,053)	9,053,217
Designated fund – Building development fund	1,903,651	100,000	-	466,553	2,470,204
Designated fund – Horticultural project fund	60,756	-	(3,095)	(31,500)	26,161
TOTAL UNRESTRICTED FUNDS	10,936,525	7,702,529	(7,089,472)	-	11,549,582
TOTAL FUNDS	10,936,525	7,707,344	(7,094,222)	-	11,549,647

The Loddon Foundation Ltd

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2021

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 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)
TOTAL NET ASSETS AT 31 MARCH 2021	12,603,055	25	12,603,080

ANALYSIS OF NET ASSETS BETWEEN FUNDS AT 31 MARCH 2020	Unrestricted funds £	Restricted general funds £	Total funds £
Tangible fixed assets	5,619,487	-	5,619,487
Investment properties	428,046	-	428,046
Investments	1,118,186	-	1,118,186
Cash at bank and in hand	4,100,245	-	4,100,245
Other net current assets	2,345,769	65	2,345,834
Net current liabilities	(2,062,151)	-	(2,062,151)
TOTAL NET ASSETS AT 31 MARCH 2020	11,549,582	65	11,549,647

The Loddon Foundation Ltd

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2021

17 RECONCILIATION OF NET INCOME TO NET CASH INFLOW FROM OPERATING ACTIVITIES	2021 £	2020 £
Net income	1,053,433	613,122
Depreciation	229,518	226,840
(Gain)/loss on investments	(277,384)	91,776
Interest receivable	(9,077)	(26,098)
Decrease/(increase) in debtors	5,781	(542,793)
Increase in creditors	495,349	246,523
NET CASH INFLOW FROM OPERATING ACTIVITIES	1,497,620	609,370

18 ANALYSIS OF NET DEBT

	1 April 2020 £	Cash flows £	Other non- cash changes £	31 March 2021 £
Cash in hand, at bank	4,100,245	(478,891)	-	3,621,354
Current asset investments	504,957	6	-	504,963
NET FUNDS	4,605,202	(478,885)	-	4,126,317

19 RELATED PARTY TRANSACTIONS

In the comparative year, prior to 13 December 2019, the Loddon Foundation Ltd entered into the following transactions with related parties by virtue of common directors:

The Loddon Foundation charged £41,791 to Liaise Loddon Limited for rent and services supplied. The Loddon Foundation Ltd was charged £46 by Liaise Loddon Limited for services supplied. Following the sale of Liaise Loddon Limited to Sequence Care Limited on 13 December 2019, Liaise Loddon Limited is no longer considered a related party.

As at 31 March 2021 no amounts were owed by related parties (2020: £nil).

Total donations received from Trustees amounted to £43,830 (2020: £104,750).

All related party transactions were carried out on an arms length basis.

20 KEY MANAGEMENT PERSONNEL

The total remuneration of the employees, who are considered to be the key management personnel of the Charity, was £376,030 (2020: £344,897) including employer's national insurance of £35,524 (2020: £32,273).

The Loddon Foundation Ltd

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2021

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 £50,077 (2020: £39,894).

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 £164,595 (2020: £150,286).

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 2021

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:

	2021 £	2020 £
Leases which expire:		
Within one year	5,377	19,288
In two to five years	3,099	12,767
	<hr/>	<hr/>
	8,476	32,055
	<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 £80,000 (2020: £2,064,485).

The Loddon Foundation Ltd
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

for the year ended

31 March 2021

Company Registration Number 02448785
Charity Number 802188

The Loddon Foundation Ltd

REFERENCE AND ADMINISTRATIVE DETAILS

DIRECTORS (TRUSTEES)

Mrs M L Cornick MBE (Founder)
Mr S Fussey (Chair)
Mrs J Lewendon – Resigned 16/09/20
Ms J Wright – Deputy Chair
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

The Trustees of The Loddon Foundation Ltd present their annual report and audited accounts for the year ended 31 March 2021 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 both 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 has resigned from the Charity this year and we have replaced this Trustee with one 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 & Consultancy – 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)

- 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.
- LTC / Training and Outreach
 - Provide Strategic direction to the Loddon Training and Consultancy 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 is supporting teachers and school 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 & Consultancy, 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 & Consultancy. 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 & Consultancy 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

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)

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 & 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.

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 & Consultancy. 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 accredited by BILD (British Institute of Learning Disabilities) and known as PROACT-SCIPr-UK® through Loddon Training & Consultancy. 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 & Consultancy delivers this training to organisations throughout the UK and there are in the region of 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 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 & Consultancy uses off-site training facilities at Field House Barn, a training facility providing for the increasing number of courses and 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 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 and key performance indicators set in last year's annual report:

Objectives Set Last Year	Achievements
Maintain the occupancy of the School at an average of 28 students to generate a surplus to support the future phases of the development program.	The average student numbers for the last financial year are 29.8. Maintaining a full cohort of 30 students for the majority of the year has enabled the School to generate money towards the building project. Phase one is now completed and paid for.
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.	The working party has continued to meet on a regular basis, and we have now submitted the planning request for phase 2 of the project. Work continues to raise the final elements of money required before hopefully starting to build again in summer 2022.
To reduce care staff vacancies, the School will invest £30,000 into the recruitment budget for marketing of the School to entice new recruits.	A radio campaign was launched and in full flow just before the start of the national Lockdown. This had a positive effect on the linked recruitment activities. A new approach to marketing the School and our outward facing work is being developed to aid local and regional recruitment. Agency staff were block booked throughout the pandemic in order to prevent the circulation of staff between other providers and our School.
To review and develop our information systems to support business growth.	A review of our current system has been completed and we continue to work on the development phase to enable us to achieve a sustainable integrated system to support the business need.
To develop the e-learning platform to facilitate additional courses for the LD/autism sector.	The online e-learning platform is developed and has proven invaluable. Our PROACT-SCIPr-UK® courses were added in the first instance to ensure continuity of business by enabling us to provide a blended learning approach and fulfil our customer requirements throughout the Covid-19 pandemic. Additional Courses continue to be developed.
To add to the research knowledge within the education and care of young people with autism.	Several papers have been published this year written by the Principal in Insight journal for Optimus Education related to the teaching of children with SEND and autism. Head of Training completed her master's degree on staff well-being of staff working in a residential setting. The School also aid the research of the Human Rights Commission with work on restraint in schools, emphasising our positive proactive approach.

The Loddon Foundation Ltd

REPORT OF THE TRUSTEES (continued)

Development of the Charity (Trustees)

- Following a strategic review the trustees have submitted the planning request for phase 2 of the building project. The trustees are looking to sell two of the foundation properties to help fund the development and seeking support of donations externally so that they can commence the project as early as possible.
- The Trustees are reviewing the viability of keeping Field house barn now the tenant who shared the building with us has now left. Due to the glut of office buildings in the Basingstoke area it is difficult to relet the premises. The trustees are exploring the possibility of selling the barn for residential development. LTC would be located to a smaller and more appropriately sized facility.
- The chairman of the trustees is leading a strategic review of the external training provided by LTC and looking to review the organisation and find new ways of training to spread the learning of the School's pioneering methods.

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:

- The year has been dominated by a Global Pandemic and national lockdown. While other schools were closed or offering a reduced service the Loddon School remained fully open and delivered a full service to all 30 students throughout the year. This has been achieved through an amazing team effort, the integrated approach to our work showing its true benefits in these extreme conditions.
- Several articles have been written and published by the Principal this year and the School has work published in Optimus Education journal, The Parliamentary Review, and the editorial section for the Good SEN school guide.
- Our reputation for knowledge, innovational practice and training has grown and we have been approached by several national organisations to assist other schools and special provisions with strategies for behaviour or curriculum delivery.
- The School has been awarded the provider status for Forest Schools, Trailblazer status for outdoor learning, Level 5 Silver award by the Royal Horticultural society and the Sleep Right mark.
- The School continued to take part in the National Schools Shakespeare Festival. This year it was held virtually, and a film of A Midsummer Night's Dream was created. The film allowed a larger number of children to be involved rather than the usual live theatre production. We are pleased to see that in future the SSF is going to combine the film and theatre elements.
- The School has been very creative in its approach this year as lockdown prevented shopping trips and other community leisure facilities to be visited. We have created our own shop which includes a small post office, and a tuck shop. At Christmas we extended the shop into the courtyard for an outdoor market.
- Replacing the annual winter concert all parents received an feature film showing similar performances as those normally shown but enhanced by green screen production, our own musical rock band and a newly composed School song which can be easily sung by all.
- Throughout the lockdown period we have watched the building of two large bungalows which will replace two of our old houses and provide purpose designed specialist accommodation and learning environment within the main site.

The Loddon Foundation Ltd

REPORT OF THE TRUSTEES (continued)

Training & Consultancy

LTC responded rapidly to the changing requirements caused by the Covid-19 pandemic, adapting its approach to the delivery of training and consultancy to maintain a responsive approach to fulfilling customer requirements.

- LTC successfully gained accreditation by Bild Association of Certificated Training (ACT) against the Restraint Reduction Network Standards (RRN) for the provision of PROACT-SCIPr-UK® 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.
- PROACT-SCIPr-UK® courses have been transferred to our online learning platform to facilitate a blended learning experience for the learner and to ensure continued training delivery and services for the customer.
- Trainers have developed skills in the creation and delivery of courses and provision of consultancy services online using video conferencing.
- Requirements for consultancy services has increased with a greater emphasis on organisation specific support around individuals with complex needs.

Outreach

- Requests for advice and support has been offered through video conferencing to a wide audience to include parents and families.
- Introduction of Social Media as a mechanism to circulate hints and tips and provide support for parents and carers during lockdown

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 & Consultancy 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.
- LTC provides subsidised courses for parents and family carers.
- Staff contribute freely to national conferences and consultations.
- 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.
- The Charity shares its expertise with local disability forums, and other charities.
- The Charity supports charities internationally with training.

The Loddon Foundation Ltd

REPORT OF THE TRUSTEES (continued)

Financial Review

The Charity has generated an increase in its unrestricted reserves of £1,053,473. The surplus was generated by the School £683,276, the investments £339,478. and Loddon Training and consultancy £30,719.

The surplus for the year plus depreciation plus funds 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 64% of the incoming revenues. This year our Schroders investment has made a generous return and recovered last year's deficit. The school fee income has been applied to provide residential care and education for the students within the School.

The income generated by the Charity has increased by 5% due to an increase in the average number of Students within the year plus we have increased our existing student fees by 2.32% and raised new student fees by 4%. Overheads in general were lower this year as a result of the pandemic restricting the students leisure activities and unable to allow external therapists on site.

Staff wages and salaries account for 71% of the costs of running the foundation. The total cost of staffing increased from last year and cost the foundation approximately £300k over the cost of full staffing. This is a result of having to block book agency staff since March 2020 to ensure that we had sufficient levels of staffing to remain open during the pandemic. Wages and salaries have increased by £402k as staff received a 2% pay rise across the board and care staff and domestics were given a £125 bonus and the Charity leadership team were given a £1,000 bonus as a thank you from the Trustees for coping with the pressures of working through Covid -19.

The recruitment of care staff continues to be a significant issue confronting the Charity because of the nature of the job and finding the correct person for the role. This year we have been unable to attend job fairs and have instead attended them online and recruited through radio advertising.

During the year the Charity has spent £45,259 on capital investment. The capital expenditures included:

- School Vehicle (£33,977)
- ICT: Back up storage (£3,192)
- In ground trampoline (£4,181)
- Coffee Machine (£1,831)
- Frieght container (£2,078)

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 LTC to replace and renew the facilities the Charity requires to pursue its charitable aims.

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 of three months average expenditure is held.

The Loddon Foundation Ltd

REPORT OF THE TRUSTEES (continued)

The funds available this year will continue to be transferred over for phase 2 of the building project that has been established. Phase 2 of the building project is estimated to be a cost to the charity of £3.4 million of which we are £1.1 million short with the funds available to be transferred over included.

	<u>2020/21</u>	<u>2019/2020</u>
	£	£
Total Funds	12,603,080	11,549,647
Less money :		
Invested in Fixed Assets	<u>9,199,167</u>	<u>7,165,719</u>
	3,403,913	4,383,928
Reserves:	3,364,913	4,318,430
Three months expenditure	1,825,000	1,822,000
Designated horticultural project	16,161	26,161
Designated building fund	1,523,727	2,470,204
Restricted Zambia fund	25	65
Capital expenditure	39,000	-
Money available for other charitable capital investment/activities	<u>-</u>	<u>65,498</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 £4,126,317 and £1,395,570 invested in the Cazenove charity multi-asset fund. 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 £277,384. 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 £1,395,570 over six years.

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

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:

- Improvement of the environment – as we have completed phase one 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.

The Loddon Foundation Ltd

REPORT OF THE TRUSTEES (continued)

- Development of our outreach and community involvement - develop more local community projects for people with learning disabilities, families with children and adults with autism.
These will include: Yoga, sensory circuit sessions, Family play therapy, Listen and Tell – speech and Language sessions, music therapy, drama therapy and drop-in consultations. We are also providing a wider range of training– First Aid at Work, Emotional Health First Aid, Education and training, Leadership.
- Further develop opportunities for career development and recruitment of high-quality staff. Re-structure of the Care teams and working day to give better working conditions and more opportunity for career progression within the School.
- To add to research knowledge within the education and care of young people with autism.
- 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
- 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.
- To promote the Loddon Whole Approach Curriculum by implementing a revised marketing strategy
- To introduce a fully integrated management system to support the business function of LTC.

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.

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 staffing levels of the School during the Pandemic. We have mitigated this throughout the year by blockbooking agency to ensure we have sufficient levels of staffing and to the lower the risk of transmission to staff and students as they will not be working at other care sites.

The Loddon Foundation Ltd

REPORT OF THE TRUSTEES (continued)

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:  2021

28 July 2021

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

Opinion

We have audited the financial statements of The Loddon Foundation (the 'charitable company') for the year ended 31 March 2021 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 2021 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

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

The extent to which the audit was condiered 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

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.

RSM UK Audit LLP

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: 12 August 2021

The Loddon Foundation Ltd

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

For the year ended 31 March 2021

	Notes	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
INCOME FROM:					
Charitable activities					
Operations of the School		7,512,401	-	7,512,401	6,936,926
Training and workshops		469,944	-	469,944	577,450
Donations		39,014	43,960	82,974	110,847
Investments	2	62,094	-	62,094	82,121
Total income		8,083,453	43,960	8,127,413	7,707,344
EXPENDITURE ON:					
Charitable activities					
Operations of the School	3	6,868,139	44,000	6,912,139	6,477,709
Training and workshops	3	439,225	-	439,225	524,737
Total expenditure	3	7,307,364	44,000	7,351,364	7,002,446
Net income/(expenditure) before net gain/(loss) on investments		776,089	(40)	776,049	704,898
Net gain/(loss) on investments	9	277,384	-	277,384	(91,776)
NET MOVEMENT IN FUNDS		1,053,473	(40)	1,053,433	613,122
FUNDS BROUGHT FORWARD AT 1 APRIL	15	11,549,582	65	11,549,647	10,936,525
FUNDS CARRIED FORWARD AT 31 MARCH	15	12,603,055	25	12,603,080	11,549,647

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 2021

	Notes	2021 £	2021 £	2020 £	2020 £
FIXED ASSETS					
Tangible assets	7		7,375,551		5,619,487
Investment properties	8		428,046		428,046
Investments	9		1,395,570		1,118,186
			<u>9,199,167</u>		<u>7,165,719</u>
CURRENT ASSETS					
Debtors	10	1,835,096		1,840,877	
Current asset investments	11	504,963		504,957	
Cash at bank and in hand		3,621,354		4,100,245	
		<u>5,961,413</u>		<u>6,446,079</u>	
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	12	<u>(2,557,500)</u>		<u>(2,062,151)</u>	
NET CURRENT ASSETS			<u>3,403,913</u>		<u>4,383,928</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>12,603,080</u>		<u>11,549,647</u>
NET ASSETS			<u>12,603,080</u>		<u>11,549,647</u>
UNRESTRICTED FUNDS					
General fund	15	11,063,167		9,053,217	
Designated funds	15	<u>1,539,888</u>		<u>2,496,365</u>	
			<u>12,603,055</u>		<u>11,549,582</u>
RESTRICTED FUNDS					
Zambia fund	15	<u>25</u>		<u>65</u>	
			<u>25</u>		<u>65</u>
TOTAL FUNDS			<u>12,603,080</u>		<u>11,549,647</u>

The financial statements on pages 15 to 31 were approved by the Trustees/Directors and authorised for issue on
28 July 2021 and are signed on their behalf by:

Mr S Fussey
 Chair

The Loddon Foundation Ltd

STATEMENT OF CASHFLOWS

For the year ended 31 March 2021

	Notes	2021 £	2020 £
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net cash provided by operating activities	17	1,497,620	609,370
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of tangible fixed assets		(1,985,582)	(272,595)
Interest received		9,077	26,098
Proceeds on sale of tangible assets		-	-
Net cash used in investing activities		(1,976,505)	(246,497)
CHANGE IN CASH AND CASH EQUIVALENTS DURING THE YEAR		(478,885)	362,873
CASH AND CASH EQUIVALENTS AT 1 APRIL		4,605,202	4,242,329
CASH AND CASH EQUIVALENTS AT 31 MARCH	18	4,126,317	4,605,202

The Loddon Foundation Ltd

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

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 (2020: 28) 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 2021

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 2021

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 2021

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

	2021	2020
	£	£
Income analysed by class of business:		
Charitable activities	7,982,345	7,514,376
Donations	82,974	110,847
Interest	9,077	26,098
Rental income	53,017	56,023
	<hr/>	<hr/>
	8,127,413	7,707,344
	<hr/>	<hr/>

Income of £43,960 (2020: £4,815) is restricted and £8,083,453 (2020: £7,702,529) is unrestricted income.

Charitable activities income includes government grant income of £2,721 (2020: £7,921) 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 £34,731 (2020: £100,000) 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 2021

2 INVESTMENT INCOME

	2021 £	2020 £
Bank interest receivable	9,077	26,098
Rental income	53,017	56,023
	<hr/>	<hr/>
	62,094	82,121
	<hr/>	<hr/>

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	2021 total £	2020 total £
Staff costs	Direct	5,487,875	320,891	5,808,766	5,450,813
Direct costs	Direct	401,295	55,798	457,093	472,309
Overheads	Direct	308,796	58,983	367,779	350,575
Recruitment costs	Direct	54,354	-	54,354	50,314
Premises costs	Direct	410,747	3,354	414,101	435,037
Depreciation	Direct	229,319	199	229,518	226,840
Governance	Direct	19,753	-	19,753	16,558
		<hr/>	<hr/>	<hr/>	<hr/>
		6,912,139	439,225	7,351,364	7,002,446
		<hr/>	<hr/>	<hr/>	<hr/>

Expenditure of £44,000 (2020: £4,750) is from restricted funds and £7,307,364 (2020: £6,997,696) is from unrestricted funds.

4 NET MOVEMENT IN FUNDS

Net movement in funds is stated after charging:	2021 £	2020 £
Auditor's remuneration		
- Audit	15,245	13,860
- Teachers pension audit	1,120	1,020
- Other services	3,090	2,940
Depreciation	229,518	226,840
Operating lease rentals	19,288	18,774
	<hr/>	<hr/>

The Loddon Foundation Ltd

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2021

5 STAFF COSTS

	2021 £	2020 £
Staff costs during the year were:		
Wages and salaries	4,123,305	3,896,996
Social security costs	378,147	351,745
Pension costs	214,672	190,180
Agency costs	982,380	857,420
	<hr/>	<hr/>
	5,698,504	5,296,341
	<hr/>	<hr/>

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

	2021 No	2020 No
School	169	156
Training and workshops	8	7
	<hr/>	<hr/>
	177	163
	<hr/>	<hr/>

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

	2021 No	2020 No
£60,001 - £70,000	1	-
£70,001 - £80,000	-	1
£80,001 - £90,000	1	-
	<hr/>	<hr/>

Pension contributions of £24,239 (2020: £15,519) 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 2021 (2020: £nil). Expenses relating to travel and meetings totalling £64 were reimbursed to one Trustee (2020: £430 to three Trustees).

The Loddon Foundation Ltd

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2021

7 TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Assets in the course of construction £	Motor vehicles £	Fixtures fittings and equipment £	Total £
Cost					
At 1 April 2020	7,620,667	266,092	148,301	164,752	8,199,812
Additions	6,259	1,940,323	33,977	5,023	1,985,582
31 March 2021	7,626,926	2,206,415	182,278	169,775	10,185,394
Depreciation					
At 1 April 2020	2,328,246	-	115,164	136,915	2,580,325
Charged in the year	197,560	-	13,939	18,019	229,518
31 March 2021	2,525,806	-	129,103	154,934	2,809,843
Net book value 31 March 2021	5,101,120	2,206,415	53,175	14,841	7,375,551
Net book value 31 March 2020	5,292,421	266,092	33,137	27,837	5,619,487

8 INVESTMENT PROPERTY

Fair value	£
At 1 April 2020 and 31 March 2021	428,046

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.

The Trustees have reviewed the current rental yields provided by London Clancy and deem that there is no change to investment property valuation as at 31 March 2021.

Subsequent to the reporting date, the lease was surrendered and the investment property was transferred to tangible fixed assets.

The Loddon Foundation Ltd
NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 March 2021

9	FIXED ASSET INVESTMENTS		Listed investments £
	Market value at 1 April 2020		1,118,186
	Gain on investment		277,384
			<hr/>
	Market value at 31 March 2021		1,395,570
			<hr/>
	Investments at market value comprised:		
		2021 £	2020 £
	UK Equities and investment funds	1,395,570	1,118,186
		<hr/>	<hr/>
	Market value at 31 March	1,395,570	1,118,186
		<hr/>	<hr/>
10	DEBTORS	2021 £	2020 £
	Trade debtors	1,754,447	1,761,388
	Prepayments and accrued income	74,537	72,274
	Other debtors	6,112	7,215
		<hr/>	<hr/>
		1,835,096	1,840,877
		<hr/>	<hr/>
11	CURRENT ASSET INVESTMENT	2021 £	2020 £
	Unlisted investments	504,963	504,957
		<hr/>	<hr/>
		504,963	504,957
		<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 2021

12	CREDITORS: Amounts falling due within one year	2021 £	2020 £
	Trade creditors	110,458	85,370
	Other creditors	70,849	56,601
	Accruals and deferred income	2,376,193	1,920,180
		<hr/>	<hr/>
		2,557,500	2,062,151
		<hr/>	<hr/>

At the year end pension contributions of £23,088 (2020: £21,869) 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.

	2021 £	2020 £
Balance brought forward	1,868,722	1,614,279
Amounts released to income	(1,868,722)	(1,614,279)
Amounts deferred in the year	2,142,105	1,868,722
	<hr/>	<hr/>
Balance carried forward	2,142,105	1,868,722
	<hr/>	<hr/>

14	FINANCIAL INSTRUMENTS	2021 £	2020 £
	CARRYING AMOUNT OF FINANCIAL ASSETS		
	Instruments measured at fair value through profit or loss	1,395,570	1,118,186
		<hr/>	<hr/>

The Loddon Foundation Ltd

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2021

15 FUNDS

	At 1 April 2020 £	Income £	Expenditure £	Transfers £	At 31 March 2021 £
RESTRICTED FUNDS					
Zambia fund	65	43,960	(44,000)	-	25
TOTAL RESTRICTED FUNDS	65	43,960	(44,000)	-	25
UNRESTRICTED FUNDS					
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
TOTAL UNRESTRICTED FUNDS	11,549,582	8,360,837	(7,307,364)	-	12,603,055
TOTAL FUNDS	11,549,647	8,404,797	(7,351,364)	-	12,603,080
	At 1 April 2019 £	Income £	Expenditure £	Transfers £	At 31 March 2020 £
RESTRICTED FUNDS					
Zambia fund	-	4,815	(4,750)	-	65
TOTAL RESTRICTED FUNDS	-	4,815	(4,750)	-	65
UNRESTRICTED FUNDS					
General fund	8,972,118	7,602,529	(7,086,377)	(435,053)	9,053,217
Designated fund – Building development fund	1,903,651	100,000	-	466,553	2,470,204
Designated fund – Horticultural project fund	60,756	-	(3,095)	(31,500)	26,161
TOTAL UNRESTRICTED FUNDS	10,936,525	7,702,529	(7,089,472)	-	11,549,582
TOTAL FUNDS	10,936,525	7,707,344	(7,094,222)	-	11,549,647

The Loddon Foundation Ltd

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2021

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 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)
TOTAL NET ASSETS AT 31 MARCH 2021	12,603,055	25	12,603,080

ANALYSIS OF NET ASSETS BETWEEN FUNDS AT 31 MARCH 2020	Unrestricted funds £	Restricted general funds £	Total funds £
Tangible fixed assets	5,619,487	-	5,619,487
Investment properties	428,046	-	428,046
Investments	1,118,186	-	1,118,186
Cash at bank and in hand	4,100,245	-	4,100,245
Other net current assets	2,345,769	65	2,345,834
Net current liabilities	(2,062,151)	-	(2,062,151)
TOTAL NET ASSETS AT 31 MARCH 2020	11,549,582	65	11,549,647

The Loddon Foundation Ltd

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2021

17 RECONCILIATION OF NET INCOME TO NET CASH INFLOW FROM OPERATING ACTIVITIES	2021 £	2020 £
Net income	1,053,433	613,122
Depreciation	229,518	226,840
(Gain)/loss on investments	(277,384)	91,776
Interest receivable	(9,077)	(26,098)
Decrease/(increase) in debtors	5,781	(542,793)
Increase in creditors	495,349	246,523
NET CASH INFLOW FROM OPERATING ACTIVITIES	1,497,620	609,370

18 ANALYSIS OF NET DEBT

	1 April 2020 £	Cash flows £	Other non- cash changes £	31 March 2021 £
Cash in hand, at bank	4,100,245	(478,891)	-	3,621,354
Current asset investments	504,957	6	-	504,963
NET FUNDS	4,605,202	(478,885)	-	4,126,317

19 RELATED PARTY TRANSACTIONS

In the comparative year, prior to 13 December 2019, the Loddon Foundation Ltd entered into the following transactions with related parties by virtue of common directors:

The Loddon Foundation charged £41,791 to Liaise Loddon Limited for rent and services supplied. The Loddon Foundation Ltd was charged £46 by Liaise Loddon Limited for services supplied. Following the sale of Liaise Loddon Limited to Sequence Care Limited on 13 December 2019, Liaise Loddon Limited is no longer considered a related party.

As at 31 March 2021 no amounts were owed by related parties (2020: £nil).

Total donations received from Trustees amounted to £43,830 (2020: £104,750).

All related party transactions were carried out on an arms length basis.

20 KEY MANAGEMENT PERSONNEL

The total remuneration of the employees, who are considered to be the key management personnel of the Charity, was £376,030 (2020: £344,897) including employer's national insurance of £35,524 (2020: £32,273).

The Loddon Foundation Ltd

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2021

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 £50,077 (2020: £39,894).

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 £164,595 (2020: £150,286).

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 2021

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:

	2021 £	2020 £
Leases which expire:		
Within one year	5,377	19,288
In two to five years	3,099	12,767
	<hr/>	<hr/>
	8,476	32,055
	<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 £80,000 (2020: £2,064,485).

The Loddon Foundation

Audit findings report
year ended 31 March 2021

1 July 2021



Contents

Executive Summary 3

Risks identified at the planning stage 5

Recommendations on controls 6

Other matters to be reported 8

Update on matters communicated at the planning stage 10

Appendix 11

Executive Summary

This report summarises our key findings in connection with the audit of the financial statements of The Loddon Foundation in respect of the year ended 31 March 2021.

The scope of our work was communicated to you via our Audit Plan document. We believe that the audit approach adopted will provide those charged with governance with the required confidence that a thorough and robust audit has been carried out.

Our audit work is substantially complete and subject to the successful resolution of outstanding matters, we anticipate issuing an unmodified audit opinion on the group's financial statements in line with the agreed timetable.

Outstanding items to be resolved:

- Classification of donations
- Update on outstanding debtors

Risks and approach

We have carried out testing as planned on the risks identified during planning and draw your attention to the following key points for discussion:

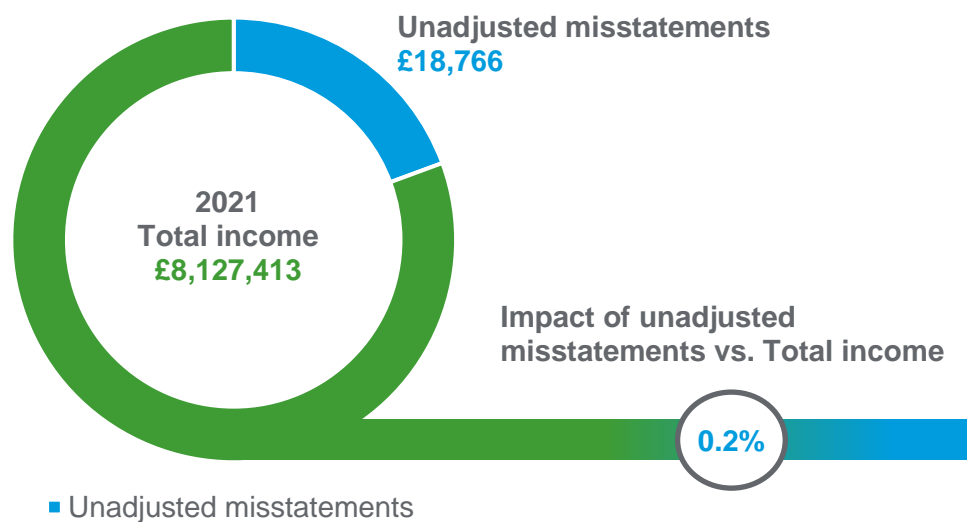
- Going concern

Final materiality

Materiality was determined based on a percentage of total income for the year. There has been no change to our materiality from what was previously disclosed to you.

Unadjusted audit misstatements

We have identified potential audit misstatements of £18,766 which would have a 0.2% impact on the total income for the year as highlighted below. A list of the unadjusted misstatements is included in the Appendix.







Risks identified at the planning stage

Risk	Description	Response	Findings
Management override	<ul style="list-style-type: none"> With any control system, there is the risk that control systems can be by-passed by those senior members of the management team with the ability to initiate an execute transactions and accounting entries without the need to follow the established control systems and procedures. 	<p>As part of our review, we plan to test the appropriateness of journal entries recorded in the accounting ledgers. This review will include a detailed examination of a sample of individual journal postings, in addition to reviewing the nature and frequency of journal activity.</p> <p>Should any significant novel or contentious transactions, that arise outside of the normal course of business come to our attention during the audit; we will obtain a full understanding for the business rationale underpinning the transaction and report our findings in our audit findings report accordingly.</p>	<p>Our work was conducted in line with the approach described to the right.</p> <p>We have reviewed a sample of journal entries recorded in the general ledger and have identified no unusual entries outside the normal course of the business or outside our understanding of the business and its operations. We have noted no accounting estimates that could result in material misstatement due to fraud and we have identified no potential indicators of management override of internal controls during the course of our audit.</p> <p>Accounting estimates and significant transactions have been reviewed and have been deemed appropriate for the nature of the entity and in line with our understanding of the charity and its environment.</p>
Going concern	<p>There is significant economic uncertainty surrounding the impact that Covid-19 will have and now long the impact will go on for. As such this creates uncertainty around the ability of the charity to continue as a going concern.</p> <p>In addition, the implementation of ISA 570 (UK) Revised Going Concern has resulted in enhanced risk assessment and greater challenge and work effort to be performed by us, when evaluating management's assessment in relation to going concern. Further details of the changes to the standard can be found here.</p> <p>We shall build sufficient time to perform this review as part of our audit engagement. We shall notify you in good time if it is necessary for you to defer your reporting deadlines to ensure our quality audit is not compromised and to allow management time to reassess any judgements and estimates as necessary.</p>	<p>As part of our audit we will consider:</p> <ul style="list-style-type: none"> The forward-looking assumptions used by management in their assessment relating to going concern. Management's sensitivity analysis to reasonably possible changes in their assumptions, including downsides. Management's scenario analysis and contingency plans. Supporting evidence provided by management for their assumptions, and related disclosures, and challenge where necessary. Appropriateness of related disclosures in the financial statements, depending on the degree of sensitivity to changes in assumptions and whether there is a significant risk of causing a material adjustment to the carrying amount of assets and liabilities. Implications, if any, for our audit report. <p>We will seek written representations from management about their plans for the future and the feasibility of their plans.</p>	<p>We obtained forecasts from management which covered a period until July 2022 which is at least 12 months from our anticipated sign off date.</p> <p>We obtained supporting documentation where appropriate to support the numbers in the forecasts.</p> <p>We reviewed the adequacy of the disclosures in the financial statements, specifically the going concern accounting policy and the strategic report and can confirm that these disclosures are adequate.</p> <p>We sensitised the forecasts based on a fall in pupil numbers, and given the significant amount of cash and investments that the charity has, pupil numbers would have to fall significantly for the charity to start to run out of cash. Therefore we can conclude that there is no material uncertainty in respect of going concern.</p>

Recommendations on controls

We have set out below recommendations on internal controls which came to our attention during the course of our audit work. This does not constitute a comprehensive statement of all internal control matters or of all improvements which may be made and has addressed only those matters which have come to our attention as a result of the audit procedures performed. An audit is not designed to identify all matters that may be relevant to you and accordingly the audit does not ordinarily identify all such matters.

Assessment	Issue and risk	
	<ul style="list-style-type: none"> Donations posted to reserves It was identified that some donation income was posted straight to reserves rather than through restricted income in the year. This is a risk as it could lead to misstated financial statements at the year end. 	<p>Recommendations</p> <ul style="list-style-type: none"> It is recommended that any donations are posted through the system as donation income, and the restrictions on the donation are monitored. This will ensure correct treatment in the year end financial statements. <p>Management Response</p> <ul style="list-style-type: none"> Management response outstanding
	<ul style="list-style-type: none"> Misstated LTC income and deferred income It was identified that some LTC income was incorrectly recognised at the year end, as the course took place post year end and should have been deferred, as a result of a miscommunication between finance and training. 	<p>Recommendations</p> <ul style="list-style-type: none"> It is recommended that going forward better communication is made with finance so they know what courses are taking place post year end and therefore what should be deferred. <p>Management Response</p> <ul style="list-style-type: none"> Management response outstanding
	<ul style="list-style-type: none"> Understated fixed asset additions From our post year end invoice review, we identified £190k for fixed asset work that related to the period ended 31 March 2021 which wasn't recognised in the financial statements. 	<p>Recommendations</p> <ul style="list-style-type: none"> It is recommended that invoices are reviewed in more detail around the year end to determine what period they relate to and therefore whether they should be accrued for. <p>Management Response</p> <ul style="list-style-type: none"> Management response outstanding
	<ul style="list-style-type: none"> Treatment of pupil premium account From our testing, it appeared that these transactions don't go through the SOFA which isn't inline with the Charity SORP. 	<p>Recommendations</p> <ul style="list-style-type: none"> Whilst the value of income and expenditure in the current year only equated to £4k that wasn't shown in the SOFA, we would recommend going forward that these transactions are posted as income and expenditure in the SOFA, and that the remaining balance at the year end is journalled to deferred income. <p>Management Response</p> <ul style="list-style-type: none"> Management response outstanding

Assessment

- Significant control recommendation
- Other control recommendations

Other matters to be reported

Significant qualitative aspects of the entity's accounting practices

Accounting policies



Fair value of investment property

Investment properties are measured at fair value through the profit or loss account. This fair value estimate should be re-assessed at each year-end to ensure any gains/losses are appropriately recorded.

The accounts currently disclose that there is no change to the fair value of the investment property at the year end compared to the prior year. To support this, we reviewed property price index movements which showed that the prices for similar properties in the area had increased by c£30k. This is immaterial and confirms that the fair value of the investment property is correct at the year end. It also provided comfort that the investment property was not impaired at the year end.

Management judgements and accounting estimates

The following areas are considered to be the principal accounting estimates. The graphic below visually represents the impact (lower or higher) on the financial statements of a change in management's estimate. In overview, a reasonably possible change in estimate that has a low impact means that such a change will have limited impact on the financial statements. Conversely a reasonably possible change that has a higher impact, means that such a change can have a significant impact.

Estimates	Low impact	High impact
Useful economic lives of tangible assets		

Significant matters discussed, or subject to correspondence with management

No significant delays were encountered during the course of the audit which we wish to report to the Trustees. We would like to thank Elizabeth Fairhead and the management team for their assistance in the completion of the audit work.

Representations requested

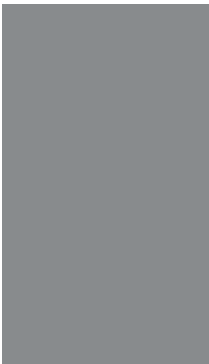
In addition to those representation which we request on all audit assignments (<http://www.rsmuk.com/standard-representations>) we will be seeking specific representations from the Board on the following matters:

- We acknowledge that we have considered the potential impact on the going concern assumption used in the preparing the financial statements of the Coronavirus pandemic. As part of this assessment, Trustees have prepared cashflow forecasts and detailed their considerations which have been provided to RSM UK Audit LLP. Having taken all relevant factors and actions into consideration, the Trustees consider that the charity is a going concern and accordingly, have prepared the financial statements for the year ended 31 March 2021 on this basis. The Trustees have included appropriate disclosures in the financial statements with respect to the going concern basis and the impact of COVID-19.

Update on matters communicated at the planning stage

Matter communicated	Update
Fees	We confirm that the fees charged during the year in respect of services performed are consistent with those contained within our Audit Plan submitted to you
Independence	In accordance with International Standard on Auditing (UK) 260 “Communication with those charged with governance”, there are no changes to the details of relationships between RSM UK Audit LLP including its related entities and persons in a position to influence the conduct or outcome of the audit and The Loddon Foundation and its connected parties that may reasonably be thought to bear on our independence, integrity and objectivity and the related safeguards from those disclosed in the Audit Plan.

This report has been prepared for the sole use of The Loddon Foundation and must not be disclosed to any third party, or quoted or referred to, without our written consent. No responsibility is assumed to any other person in respect of this report.



Unadjusted accounting misstatements

A summary of the unadjusted misstatements identified during the course of our work is set out below, analysed between misstatements of fact and differences in judgement.

We have not disclosed below those items that we consider to be “clearly trivial” in the context of our audit. For this purpose, we consider “clearly trivial” to be any matter less than £10,000.

We advised management of all these misstatements on 24 June 2021 and requested management to correct them.

The Loddon Foundation – adjusted misstatements

Adjustment	Type	Classification	Code	Account	SOFA £	Balance sheet £	Description
1	Adjusted	Misstatements (Factual)	211500	Accruals	-	(190,292)	To recognise the works on Forest Oak up to the year end
1	Adjusted	Misstatements (Factual)	ABA008	Forest Oak - New Build Additions	-	190,292	
					-	-	

The Loddon Foundation – unadjusted misstatements

Adjustment	Type	Classification	Code	Account	SOFA £	Balance sheet £	Description
1	Unadjusted	Misstatements (Factual)	212001	Deferred Income - W/shop SCIP	-	(18,766)	To correct LTC income in FY21 for the training carried out post year end, as a result of a mis-communication between finance and LTC.
1	Unadjusted	Misstatements (Factual)	401000	LTC- SCIP Instructor	18,766	-	
2	Unadjusted	Reclassification	110022	Pupil Premium Control	-	19,772	Due to the pupil premium account being characteristic of deferred income.
2	Unadjusted	Reclassification	AUD001	Deferred Income - Pupil Premium Account	-	(19,772)	
3	Unadjusted	Reclassification	110000	Debtors Control Account	-	23,902	To reclassify credit balances from trade debtors to other creditors
3	Unadjusted	Reclassification	RSM005	Other creditors	-	(23,902)	
					18,766	(18,766)	

Communication of audit matters to those charged with governance

Our communication plan

	Audit plan	Audit findings
Respective responsibilities of auditor and management/those charged with governance	●	
Overview of the planned scope and timing of the audit, form, timing, materiality and expected general content of communications including significant risks and key audit matters	●	
Confirmation of independence and objectivity	●	●
Significant matters in relation to going concern (if any)		●
Views about significant qualitative aspects of accounting practices including accounting policies, accounting estimates and financial statement disclosures (if any)		●
Significant findings from the audit		●
Significant matters and issues arising during the audit and written representations that have been sought		●
Significant difficulties encountered during the audit (if any)		●
Unadjusted accounting misstatements and material financial statement disclosure omissions		●
Expected modifications to the auditor's report, or emphasis of matter (if any)		●

ISA (UK) 260, as well as other ISAs (UK), prescribes matters which we are required to communicate with those charged with governance, and which we set out in the table here.

The Audit Plan outlined our audit strategy and plan to deliver the audit, while the Audit Findings presents key issues, findings and other matters arising from the audit, together with an explanation as to how these have been resolved.

Respective responsibilities

As auditor we are responsible for performing the audit in accordance with ISAs (UK), which is directed towards forming and expressing an opinion on the financial statements that have been prepared by management with the oversight of those charged with governance.

The audit of the financial statements does not relieve management or those charged with governance of their responsibilities.

Financial statement disclosures

During the course of our audit, we reviewed the adequacy of the disclosures contained within the financial statements and their compliance with both relevant accounting standards and the requirements of the Companies Act 2006 and Statement of Recommended Practice 2015.

We have not identified any disclosure matters to bring to your attention.

Financial reporting updates

Important updates

The following financial reporting updates have been issued since we presented our audit plan which will be relevant to you.

A full list of financial reporting updates can be found by clicking the link below:



**Choose your
preferences**



Keep up to date on the latest news and legislation changes by signing up to receive our alerts and newsletters.

Register here



RSM UK Audit LLP

Davidson House
Forbury Square
Reading
RG1 3EU
United Kingdom
T +44 (0)118 953 0350
rsmuk.com

Our Report is prepared solely for the confidential use of The Loddon Foundation and solely for the purpose of explaining the scope of the audit, our proposed audit approach, and to highlight the key risks that we will be focusing our audit work upon, forming part of the ongoing communications we are required to make under International Standard on Auditing (UK and Ireland) 260 – Communication of audit matters with those charged with governance. Therefore, the report may not, without our express written permission, be relied upon by The Loddon Foundation for any other purpose whatsoever, be referred to in whole or in part in any other external document or made available (in whole or in part) or communicated to any other party. RSM UK Audit LLP neither owes nor accepts any duty to any other party who may receive our Report and specifically disclaims any liability for any loss, damage or expense of whatsoever nature, which is caused by their reliance on our Report.

The UK group of companies and LLPs trading as RSM is a member of the RSM network. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm each of which practises in its own right. The RSM network is not itself a separate legal entity of any description in any jurisdiction.

The RSM network is administered by RSM International Limited, a company registered in England and Wales (company number 4040598) whose registered office is at 50 Cannon Street, London EC4N 6JJ. The brand and trademark RSM and other intellectual property rights used by members of the network are owned by RSM International Association, an association governed by article 60 et seq of the Civil Code of Switzerland whose seat is in Zug.

RSM Corporate Finance LLP, RSM Restructuring Advisory LLP, RSM Risk Assurance Services LLP, RSM Tax and Advisory Services LLP, RSM UK Audit LLP, RSM UK Consulting LLP, RSM Northern Ireland (UK) Limited and RSM UK Tax and Accounting Limited are not authorised under the Financial Services and Markets Act 2000 but we are able in certain circumstances to offer a limited range of investment services because we are licensed by the Institute of Chartered Accountants in England and Wales. We can provide these investment services if they are an incidental part of the professional services we have been engaged to provide. RSM Legal LLP is authorised and regulated by the Solicitors Regulation Authority, reference number 626317, to undertake reserved and non-reserved legal activities. It is not authorised under the Financial Services and Markets Act 2000 but is able in certain circumstances to offer a limited range of investment services because it is authorised and regulated by the Solicitors Regulation Authority and may provide investment services if they are an incidental part of the professional services that it has been engaged to provide. RSM & Co (UK) Limited is authorised and regulated by the Financial Conduct Authority to conduct a range of investment business activities. Before accepting an engagement, contact with the existing accountant will be made to request information on any matters of which, in the existing accountant's opinion, the firm needs to be aware before deciding whether to accept the engagement.

© 2021 RSM UK Group LLP, all rights reserved