

Charity Registration No. 1076660

TRIALOGUE EDUCATIONAL TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

TRIALOGUE EDUCATIONAL TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Lord Turner of Ecchinswell Mr Michael Maclay (Chairman) Mr Rowan Barnett Mr Andrew Fraser	(Appointed 6 March 2018) (Appointed 20 May 2019)
Charity number	1076660	
Principal address	1st Floor Millbank Tower (Suite 1.45) 21-24 Millbank London SW1P 4QP	
General Secretary	François Le Goff	
Independent examiner	Mr. Paul L. Kutner FCA Landau Morley LLP 325-327 Oldfield Lane North Greenford Middlesex UB6 0FX	
Bankers	Lloyds Bank pic 25 Gresham Street London EC2V 7HN	

TRIALOGUE EDUCATIONAL TRUST

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TRIALOGUE EDUCATIONAL TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

The trustees present their report and financial statements for the year ended 31 December 2018.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016).

OBJECTIVES AND ACTIVITIES

Through the Club of Three, the Trialogue Educational Trust works with leaders in government, business, civil society and academia in France, Germany, the UK and across Europe in order to develop cross-border responses to the major geo-strategic, social and economic challenges of our time.

RISK MANAGEMENT

Over the course of the year the Trustees continued to implement a comprehensive risk management strategy for the Charity, in accordance with Charity Commission guidelines. This includes a regular review of all risks to which the Trust is exposed and the establishment of policies and procedures to mitigate the risk, including the sourcing of a comprehensive insurance policy.

PUBLIC BENEFIT

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'. All of the activities that are undertaken by the Charity are for the advancement of its objectives.

ACHIEVEMENTS AND PERFORMANCE

The Club of Three is a Franco-German-British initiative which aims to:

- Encourage the exchange of new ideas at the highest level on how to tackle the greatest threats and challenges of our time
- Enhance dialogue between senior figures from business, politics, the media and academia in France, Germany and the UK
- Strengthen the relationship between "the Three" and with other European and international partners outside of official communication channels
- Generate strategic thinking on Europe's future following the British referendum decision for the UK to leave the European Union

In these critical times for Europe, with the rise of Euroscepticism and populism across the continent, the need for a strong Franco-German-British partnership to address common challenges has never been greater.

The Club of Three promotes a constructive approach to problem solving and influencing European policy. It takes its inspiration from its founder, the publisher George Weidenfeld, who throughout his life tirelessly promoted open debates and new ideas as a way of overcoming difficulties between different cultures and nations.

Its annual programme of activities consists of organising a range of meetings that vary in size, format and focus and take place in different European capitals (mainly London, Paris and Berlin). Over the years, a number of meetings have also been held outside Europe as part of initiatives to engage with strategic partners such as China, Russia and the US.

TRIALOGUE EDUCATIONAL TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

ACTIVITIES

In 2018, the Club of Three delivered four meetings:

1. Afternoon workshop on smart cities, London – March 2018. The first meeting of 2018 was held at the offices of ACCA UK. It involved around 30 participants from France, Germany and the UK and focused on the role of technology in creating attractive living spaces in Europe's cities. The meeting began with a keynote speech by Valérie Pécresse, President of the Ile-de-France region, outlining some of the main components of the Smart Region Initiative that she had launched at the end of 2017. The second main speaker, Lord Kerslake, gave the UK perspective on delivering large infrastructure projects and regenerating urban spaces. As former Permanent Secretary at the Department for Communities and Local Government and Chief Executive of the London Borough of Hounslow and Sheffield City Council, he has significant experience in this area. The discussion was chaired by Club of Three President Lord Simon of Highbury.

2. Plenary meeting "Europe and America," Paris – June 2018. Some 60 senior figures from business, politics, the media and academia in France, Germany, the UK and the US gathered in Paris at the end of May for the Club of Three's annual Plenary meeting. The meeting, entitled "Europe and America: losing their bearings?", was held at the offices of AXA in Avenue Matignon. It began with an opening speech by the French Minister for Europe Nathalie Loiseau. This was followed by a first session entitled "leadership in an age of populism". In the evening, the German Ambassador Nikolaus Meyer-Landrut gave a reception at his residence during which French Secrétaire d'État for European Affairs Jean-Baptiste Lemoigne gave an off-the-record speech on the US tariff announcement and implications for trade with Europe. The Friday sessions focused on cyber security, business and trade and the current state of the Western alliance.

3. Lunchtime discussion with Damian Green MP, London – November 2018. The Club of Three organised a lunchtime discussion on Brexit before the meeting at the Garrick Club in November, with the Rt. Hon Damian Green MP as keynote speaker. The Conservative MP for Ashford was First Secretary of State and Minister for the Cabinet Office until December 2017 and a close political ally of Prime Minister Theresa May while in government. He offered his views on the draft agreement reached between UK and EU negotiators and published a few days before the meeting at the Garrick Club, as well as on the prospects of this deal being approved by parliament and the likely scenarios if it was to be rejected.

4. Special session on smart cities, London – November 2018. Some 50 business leaders and key political figures, from national and local government, leading major urban development projects in France, Germany and the UK gathered in Canary Wharf (London) in November for a special session of the Club of Three on smart cities. The meeting was hosted by the Canary Wharf Group at its arched glass atrium – the East Wintergarden – located at the heart of the financial district. It was the last of two meetings organised in 2018, looking at opportunities and challenges of digitalisation from a city-level perspective. The event began on the Friday afternoon (23rd November) with a keynote address by Professor Tony Travers on London's smart city agenda, followed by a first session on governance issues. During dinner at the Canary Wharf Group's smart city hub Level39, Gerhard Fettweis (Vodafone Chair Professor at TU Dresden) spoke about how the tactile internet will change the way we interact with objects. There were two sessions on the Saturday morning, focusing respectively on the role of the private sector in making cities smarter and more sustainable, and on smart infrastructure.

TRIALOGUE EDUCATIONAL TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

REPORTS AND BLOGS

Three meeting reports were produced during the course of the year. The lunch with the Rt Hon Damian Green MP was an off-the-record discussion. These reports are available on the Club of Three's 'Reports' page at: <http://www.clubofthree.org/reports/>

In addition to reports, the Club of Three also published a number of blog articles on a range of topics addressed during meetings. These articles can be found in: <http://www.clubofthree.org/blog/>

LIGHT-TOUCH EDUCATIONAL ROLE

One of the objectives of the Club of Three is to take its work beyond meeting participants, mainly through its website and Twitter account. This "light-touch" educational role aims to improve understanding of European and international relations among a wider audience. In order to achieve this, meeting reports and blog articles are released on social networks (Twitter) in addition to being published on the Club of Three website. As far as the website is concerned (www.clubofthree.org), the largest group of users are from the UK, followed by Germany and France. They tend to be younger than meeting participants and work in academia and think tanks.

PRESS COVERAGE

Club of Three meetings are subject to the Chatham House Rule, which contributes to its reputation as a safe space for debating the major threats and challenges of our time in a frank and open manner. This somewhat restricts the publication of news and opinion articles in the European press, since neither statements nor affiliations can be disclosed.

Despite these restrictions, the Club of Three encourages the publication of articles directly inspired from its meetings. Karina Robinson, a journalist and commentator who writes a monthly column for business leaders and government officials in the UK, drew on remarks made in Paris about the state of the Western alliance, European fragmentation and the future of Brexit negotiations in her June newsletter. The article was published on 19th June 2018, a few weeks after the meeting. Her column, featured on her website www.robisonhambro.com has positive testimonials from influential figures including Dame Fiona Woolf, former Lord Mayor of the City of London and Carles Casajuna, former Spanish Ambassador to the UK and currently a senior advisor to a global private investment group.

SPONSORS AND PARTNERS

Organising meetings with high-profile figures from politics, business, academia and the media is not only down to the work of the Club of Three secretariat and support from steering group members. It also depends on the participation of sponsors and partners who can help provide the right settings for the important and sometimes sensitive discussions taking place at Club of Three meetings.

Airbus remained one of the main core sponsors in 2018. The Club of Three also received financial support from Engie UK for the two meetings on smart cities. The March workshop was organised in partnership with ACCA UK which hosted the event at their offices in central London. The November session and Friday dinner were both hosted by the Canary Wharf Group. The main event sponsors for the Plenary meeting in Paris were Airbus, the Robert Bosch Stiftung, IBM and HSBC France. The catering and venue costs were covered by AXA and the German Ambassador to France kindly hosted a dinner on 31 May 2018.

The Club of Three is very grateful for the support of these organisations. These partnerships greatly enhanced its programme of activities overall.

TRIALOGUE EDUCATIONAL TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

MAIN OUTCOMES

The Club of Three strove to deliver a forward-looking programme of activities in 2018 against the backdrop of an increasingly tense global context in which European cohesion, standards and values – once considered an 'acquis' in EU parlance – are now being challenged on a daily basis both within and outside of Europe.

The Club of Three therefore remained focused on key aspects of its core mission, notably the Track 1.5 dialogues it maintains with Europe's strategic partners. The Plenary meeting on Europe and America that took place in Paris in June marked the end of a two-year high-level exchange on transatlantic relations. This followed a meeting in Washington D.C that took stock of these relations in the opening months of the new Trump administration. Next year's focus will be on Russia.

There was also a new emphasis on smart cities, with two of the four meetings held during the year dedicated to this theme. The first one was a March workshop with Valérie Pécresse, President of the Ile-de-France region, as guest speaker. It was followed by a conference in Canary Wharf covering a wide range of topics including city governance, energy and transport taking in urban air mobility.

These meetings were part of an existing strand of activities on digital transformation that began in 2017. The goal here was to explore the opportunities and challenges of digitalisation from a city-level perspective, looking at how cities in France, Germany and the UK were adapting to new technology and what steps were taken to build highly connected infrastructures. The discussions provided fertile ground for joined-up thinking between 'the Three' and we hope as a result to further develop this area of work in years to come.

Intra-European affairs, and particularly Brexit and the UK's future relationship with the EU, were also an important part of the programme in 2018. The November fireside chat with Damian Green discussed the likelihood of British parliament backing for the agreement reached between UK and EU negotiators. It was the latest in a series of Brexit-related meetings held since the beginning of 2016 and directly followed from a discussion with Sir Ivan Rogers towards the end of phase one of negotiations.

Surveys and individual feedback from participants were very positive and showed that they greatly valued the quality of discussions and speakers. What they learnt from meetings had an important influence on their thinking and improved their understanding of the issues at stake to a great extent. Through social media and online publication of meeting reports and blog articles, the Club of Three also shared key messages (e.g. building bridges between nations and the need for greater cohesion in Europe) with a wider audience.

FUTURE PLANS

The Club of Three will continue to run its annual programme of activities in 2019 and beyond, thanks to the continued support of Airbus and several other event sponsors. It is also looking to involve individuals and corporations who are willing to support its core costs. It will return to the topic of Europe and Russia relations with a special session held at the French embassy in Moscow. The annual Plenary meeting will take place in London in the autumn and focus on the new European political context with a new European Parliament, Commission, and of course, Brexit.

FINANCIAL REVIEW

The total incoming resources for the year were £159,053 (2017: £308,475). The principal reason for the drop in income was the migration of counter extremism related work to a charitable entity - the Institute for Strategic Dialogue.

RESERVES POLICY

Trustees closely monitor the level of free reserves available to ensure there is sufficient financial flexibility in place. It is the Trustees' policy to accumulate reserves for future activities. The reserves available as at 31st December 2018 were £81,738 (2017: £76,537). It is the intention of the Trustees to work towards building a reserve of 3 months' administration costs in the following financial year. The Board remain satisfied that the organisation is a Going Concern.

TRIALOGUE EDUCATIONAL TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Triologue Educational Trust has a board of Trustees that meets twice a year. It has a London-based secretariat headed by François Le Goff under the leadership of Michael Maclay, Chairman of the Board of Trustees. The three other Trustees are Rowan Barnett, Lord Turner of Ecchinswell and Andrew Fraser. The Trust operates through a Franco-German-British leadership initiative known as the Club of Three.

The Club of Three relies on the support and advice of a Steering Group made up of 14 senior figures from France, Germany and the UK. Its members help to identify potential donors to support the Club of Three's annual programme of activities and provide advice on future projects and objectives. The Secretariat is also supported by Sarah Kennedy, the Triologue Educational Trust Secretary, who provides legal and financial assistance.

The Charity was formed under a Deed of Trust dated 8th June 1999. The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed. The Members may appoint any person who is able and willing to act as a new or additional Trustee. In selecting persons to be appointed as Trustees, the Trustees shall take into account the benefits of appointing a person who is able by virtue of his or her personal or professional qualifications to make a contribution to the pursuit of the objects of the management of the Charity.

Future Trustees shall be appointed for a period of three years by a resolution of the Trustees. Trustees may be reappointed at the end of their term of office. The Board keeps minutes of all proceedings at meetings of the Charity and the Board including the names of those present at each such meeting.

The trustees who served during the year were:

Lord Turner of Ecchinswell	
Mr Michael Maclay (Chairman)	
Mr Rowan Barnett	(Appointed 6 March 2018)
Professor Peter Baldwin	(Resigned 6 March 2018)
Professor Roland Berger	(Resigned 6 March 2018)
Dr Mathias Döpfner	(Resigned 6 March 2018)
Mr Stuart Fiertz	(Resigned 6 March 2018)
Mr Francis Finlay	(Resigned 6 March 2018)
Field Marshal the Lord Guthrie of Craigiebank GCB LVO OBE	(Resigned 6 March 2018)
Baroness Helena Kennedy QC	(Resigned 6 March 2018)
Mr Michael Lewis	(Resigned 6 March 2018)
Sir Michael Pakenham	(Resigned 6 March 2018)
Baroness Patricia Rawlings	(Resigned 6 March 2018)
Lord Simon of Highbury	(Resigned 6 March 2018)
Mr Andrew Fraser	(Appointed 20 May 2019)

The Trustees' report was approved by the Board of Trustees.

Mr Michael Maclay

Chair of Trustees

Dated: 21 October 2019

TRIALOGUE EDUCATIONAL TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF TRIALOGUE EDUCATIONAL TRUST

I report to the trustees on my examination of the financial statements of Trialogue Educational Trust (the charity) for the year ended 31 December 2018.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

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

Mr. Paul L. Kutner FCA

Landau Morley LLP
325-327 Oldfield Lane North
Greenford
Middlesex
UB6 0FX

Dated: 25 October 2019

TRIALOGUE EDUCATIONAL TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2018

		Unrestricted funds 2018 £	Restricted funds 2018 £	Total 2018 £	Total 2017 £
	Notes				
Income from:					
Charitable activities	2	136,324	22,729	159,053	308,474
Investments	3	-	-	-	1
		<hr/>	<hr/>	<hr/>	<hr/>
Total income		136,324	22,729	159,053	308,475
		<hr/>	<hr/>	<hr/>	<hr/>
Expenditure on:					
Charitable activities	4	130,921	22,931	153,852	278,123
		<hr/>	<hr/>	<hr/>	<hr/>
Net income/(expenditure) for the year/ Net movement in funds		5,403	(202)	5,201	30,352
Fund balances at 1 January 2018		747	75,790	76,537	46,185
		<hr/>	<hr/>	<hr/>	<hr/>
Fund balances at 31 December 2018		6,150	75,588	81,738	76,537
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

TRIALOGUE EDUCATIONAL TRUST

BALANCE SHEET

AS AT 31 DECEMBER 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	9		386		-
Current assets					
Debtors	10	13,416		-	
Cash at bank and in hand		75,805		140,363	
		<u>89,221</u>		<u>140,363</u>	
Creditors: amounts falling due within one year	11	<u>(7,869)</u>		<u>(63,826)</u>	
Net current assets			81,352		76,537
Total assets less current liabilities			<u>81,738</u>		<u>76,537</u>
Income funds					
Restricted funds	12		75,588		75,790
Unrestricted funds			6,150		747
			<u>81,738</u>		<u>76,537</u>

The financial statements were approved by the Trustees on 21 October 2019

Mr Michael Maclay
Chair of Trustees

TRIALOGUE EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

Charity information

Through the Club of Three, the Trialogue Educational Trust works with leaders in government, business, civil society and academia in France, Germany, the UK and across Europe in order to develop cross-border responses to the major geo-strategic, social and economic challenges of our time.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

TRIALOGUE EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

1.5 Resources expended

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

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at the Headquarters.

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

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

1.6 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

TRIALOGUE EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.9 Employee benefits

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

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.10 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

TRIALOGUE EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

2 Charitable activities

	2018 £	2017 £
Club of Three	22,729	183,599
Legacy ISD projects	-	124,875
General	136,324	-
	<u>159,053</u>	<u>308,474</u>
Analysis by fund		
Unrestricted funds	136,324	-
Restricted funds	22,729	308,474
	<u>159,053</u>	<u>308,474</u>

3 Investments

	Unrestricted funds	Total
	2018 £	2017 £
Interest receivable	-	1
	<u>-</u>	<u>1</u>

TRIALOGUE EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

4 Charitable activities

	Club of Three £	General £	Total 2018 £	Total 2017 £
Staff costs	-	67,291	67,291	80,098
Travel costs - staff	993	35	1,028	7,677
Travel costs - participants	18,670	21,294	39,964	23,025
Occupancy costs	3,924	18,728	22,652	29,107
UK travel and hospitality	(3,219)	3,248	29	411
Outside professional services	1,659	14,407	16,066	1,602
Office costs	904	1,209	2,113	760
	<u>22,931</u>	<u>126,212</u>	<u>149,143</u>	<u>142,680</u>
Grant funding of activities (see note 5)	-	-	-	145,303
Share of support costs (see note 6)	4,709	-	4,709	(9,860)
	<u>153,852</u>	<u>-</u>	<u>153,852</u>	<u>278,123</u>

Outside professional services costs include £2,500 in respect of independent examiner fees.

5 Grants payable

	General 2018 £	General 2017 £
Grants to institutions: Transfer of all counter extremism work to the Institute for Strategic Dialogue	-	145,303
	<u>-</u>	<u>145,303</u>

In the prior year the Charity made a grant to the Institute of Strategic Dialogue (a related company) which represented the culmination of a migration process for all counter extremism related work to a new entity. Refer to the Trustees' Report for more details.

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TRIALOGUE EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

6 Support costs

	Support costs	2018	2017
	£	£	£
Exchange Loss / (Gain)	4,645	4,645	(9,860)
Depreciation	64	64	-
	<u>4,709</u>	<u>4,709</u>	<u>(9,860)</u>

7 Trustees

The trustees have not received any remuneration during the year.

In the course of their duties as trustees, payments were made to Michael Maclay totalling £29 (2017: £659) as re-imbursements of travel expenses.

8 Employees

Number of employees

The average monthly number of employees during the year was:

	2018 Number	2017 Number
	<u>2</u>	<u>2</u>

Employment costs

	2018 £	2017 £
Wages and salaries	<u>67,291</u>	<u>80,098</u>

There were no employees whose annual remuneration was £60,000 or more.

TRIALOGUE EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

9 Tangible fixed assets

	Computers £
Cost	
Additions	450
At 31 December 2018	<u>450</u>
Depreciation and impairment	
Depreciation charged in the year	64
At 31 December 2018	<u>64</u>
Carrying amount	
At 31 December 2018	<u><u>386</u></u>

10 Debtors

	2018 £	2017 £
Amounts falling due within one year:		
Trade debtors	10,000	-
Other debtors	2,400	-
Prepayments and accrued income	1,016	-
	<u>13,416</u>	<u>-</u>
	<u><u>13,416</u></u>	<u><u>-</u></u>

11 Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	2,369	-
Other creditors	-	63,811
Accruals and deferred income	5,500	15
	<u>7,869</u>	<u>63,826</u>
	<u><u>7,869</u></u>	<u><u>63,826</u></u>

Other creditors include £nil (2017: £45,927) due from the Institute for Strategic Dialogue (a related charitable company).

TRIALOGUE EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

12 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Balance at 31 December 2018
	Balance at 1 January 2018	Incoming resources	Resources expended	
	£	£	£	
	75,790	22,729	(22,931)	75,588

13 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total
	£	£	£
Fund balances at 31 December 2018 are represented by:			
Tangible assets	386	-	386
Net current assets	5,764	75,588	81,352
	<u>6,150</u>	<u>75,588</u>	<u>81,738</u>