

FINANCIAL STATEMENTS 2018-19

TRINITY LABAN CONSERVATOIRE
OF MUSIC & DANCE

A REGISTERED CHARITY AND
COMPANY LIMITED BY GUARANTEE
COMPANY REGISTRATION NO. 510800
CHARITY NO. 809598



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CHAIR OF BOARD OF GOVERNORS AND PRINCIPAL'S INTRODUCTION

We are pleased to introduce the annual report and financial statements of Trinity Laban Conservatoire of Music and Dance for 2018–2019, which highlight many impressive achievements on the part of the Conservatoire, its students, graduates and staff over the past year. Against a challenging backdrop, Trinity Laban has taken forward its new Strategic Plan 2018–2028 with purpose and shared commitment to our vision of a dynamic, inclusive conservatoire that embraces new means of artistic education and expression.

Brexit has, of course, dominated national politics, resulting in a difficult and uncertain period for all in higher education. There remains little clarity on the implications for EU student and staff recruitment, European mobility programmes and international collaborations, while attention has been diverted from wider HE policy development. We still await a Government response to the major changes proposed in the Augar report on post-18 education, following its delayed publication in May 2019. We strongly welcome the report's support for the protection of high quality specialist institutions, acknowledging our distinctive and valuable role in the sector and the outstanding experience offered to our students. Regardless of the eventual outcome of the Brexit debate, we shall continue to welcome and cherish staff and students from the EU, the UK and across the world, and to maintain close ties with our many friendly international partner institutions. Our student body includes artists from more than 60 countries, and we benefit from one of the highest percentages of EU students of any university in the country.

At a time of significant division within our society and of rising intolerance and hostility in our civic discourse, higher education institutions have a duty to foster understanding, insight and open-mindedness. Trinity Laban has seen again and again how shared participation in the arts can bridge gaps between social groups whether defined by background, belief, race, age or disability. As this report describes, we deliver a rich programme of activities to overcome social exclusion, build community cohesion and promote physical and psychological health and well-being. Cultural provision can transform a sense of place for residents, businesses and visitors. Our local community of South East London encompasses diverse neighbourhoods and thriving cultural activity alongside pockets of severe disadvantage and deprivation. The arts sector is a vital and growing economic contributor, and the Conservatoire is an important source of advice, resource, space and expertise (including the contribution of our graduates) in nurturing this growing creative cluster. We are immensely proud of the many contributions of our students to these efforts through their involvement in both Trinity Laban programmes and their own projects and voluntary work. We were especially pleased this year, therefore, to introduce two new award schemes for students: the TL Student Community Award to recognise volunteering and community action, and the TL Innovation award to seed fund creative ideas and projects that can widen and deepen the nation's cultural capital.

In November 2018, the Conservatoire successfully completed a major upgrade to Blackheath Halls with the assistance of the generous donations from the Hearn Foundation and Arts Council England. In addition to providing enhanced rehearsal and performance space to Trinity Laban's students, the refurbishment programme has created, perhaps, the premier performance venue in South East London, with a varied artistic programme comprising professional, community and other events aimed at its diverse audience.

Access and inclusion remain foremost priorities for Trinity Laban. An important recent milestone was the approval by the Director of Fair Access and Participation of our new, five-year Access and Participation Plan. We took the opportunity to look afresh at our long-standing approaches and activities in this area, and to engage a broad constituency of staff and students in the planning process. It was gratifying, therefore, that the Director judged it to be an ambitious and credible plan, and we aim to open up opportunities for performers and creators of diverse and outstanding talent who may be overlooked to the detriment of individuals and our art forms. Already, a third of our UK undergraduate students come from households with an income of £30,000 or less, and 28% of most recent entrants were from neighbourhoods in highest ranked quintiles for multiple deprivation. However, there is still much more to do to remove barriers to participation and progress in our disciplines for all sections of society.

Trinity Laban will continue to embrace diversity in all its forms – diversity of background, of thought, and of approach, which enriches the learning experience and makes for better art. Throughout the 2018/19 academic year, we celebrated the music of women composers past and present in an unprecedented commitment tackling gender parity through our *Venus Blazing* initiative. The commitment has ensured that female composers accounted for over half of the music programmed by Trinity Laban at our landmark Greenwich home and in venues across London.

Chair of Board of Governors and Principal's Introduction (continued)

Through *Venus Blazing*, we uncovered and made available neglected repertoire of extraordinary quality, as well as varied new work by talented living women composers including those among our own staff and students. We are excited to see how its legacy will inspire the next generation of music makers and spark new ways of experiencing and appreciating works written by both women and men.

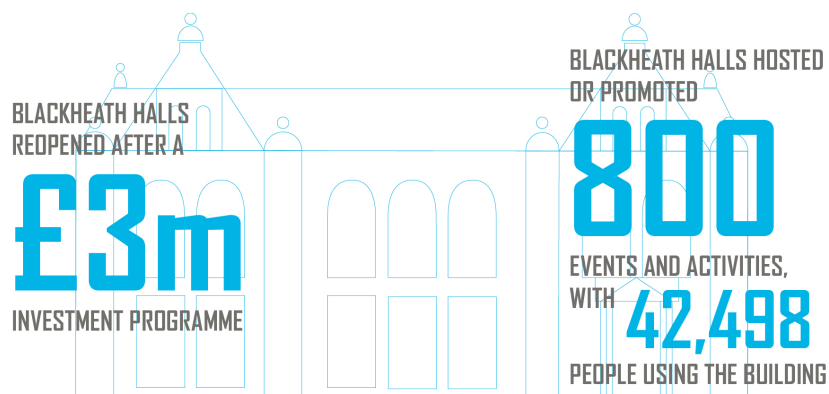
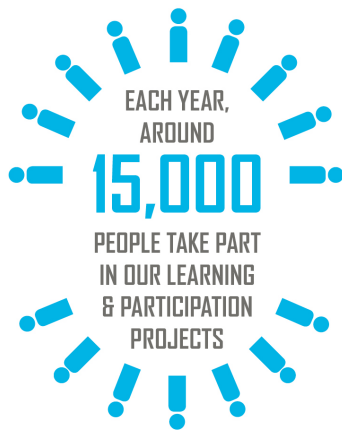
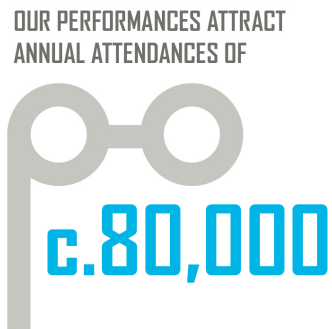


Dr Geoffrey Copland CBE
Interim Chair of Governors



Professor Anthony Bowne
Principal

TRINITY LABAN IN NUMBERS 2018–2019



STRATEGIC REPORT

Financial Review

The financial statements, approved by the Board of Governors, comprise the results of Trinity Laban and its subsidiary undertakings, namely The Blackheath Halls and BCH Enterprises Limited.

The table below, which summarises the financial results of Trinity Laban, shows a decline in overall financial performance in 2018–19 broadly in line with expectations. In 2018–19 the Conservatoire shows a loss of £2.9m on our statement of comprehensive income and expenditure in contrast to the surplus of £3.9m achieved in 2017–18. The decline in surplus between 2018-19 and 2017-18 is largely due to two factors; firstly, last year the Conservatoire benefitted from a one-off transfer of funds from a separate charity set up to support the study of dance at Trinity Laban and this contributed £2.2m to the 2017–18 outturn and secondly, there has been a steep rise in the deficit on the Universities Superannuation Scheme, (USS), of £3.5m coupled with a significant, but smaller, rise in the deficit of our other occupational pensions schemes of £0.9m. A marked deterioration in financial performance in 2018–19 is not unique to Trinity Laban and is repeated in all Higher Education Institutions with a high proportion of staff participating in the multi-employer USS pension scheme. The worsening financial position at Trinity Laban and elsewhere reflects the rise in the overall scheme deficit identified during the schemes' 2017 triennial valuation. Since then, a further valuation has taken place where the overall scheme deficit has fallen and, as a consequence, we will see a partial reversal of this year's USS charge in the 2019–20 statement of comprehensive income. It is worth noting that exclusion of the year end pension charges, which can vary significantly annually, gives a reported surplus of £1.4m in 2018–19 and £2.5m in 2017–18.

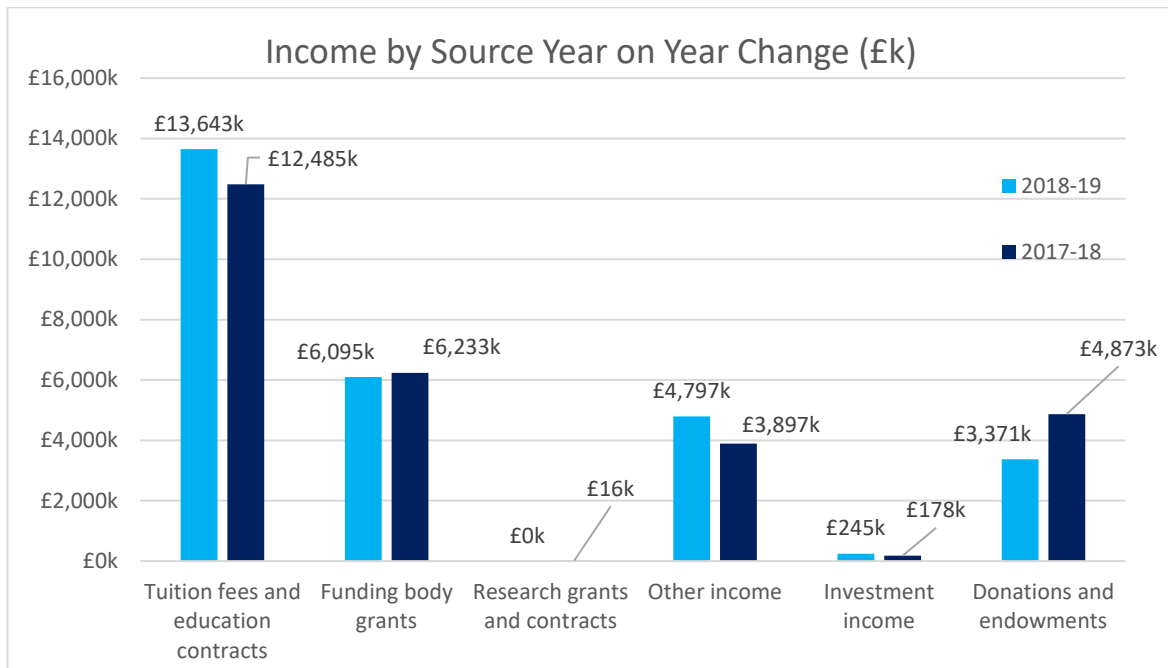
Summary of Income and Expenditure

	2018-19	2017-18	Change	Change
	£000s	£000s	£000s	%
Income excl. Endowments & Donations	24,780	22,809	1,971	8.6%
Endowment and Donations	3,371	4,873	(1,502)	(30.8%)
Total Income	28,151	27,682	469	1.7%
Expenditure (excl. Pension adj.)	27,252	25,384	1,868	7.4%
Pension Adjustments	3,480	(317)	3,797	(1,197.8%)
Total Expenditure	30,732	25,067	5,665	22.6%
(Deficit)/Surplus before gains and losses	(2,581)	2,615	(5,196)	(198.7%)
Loss on Disposal of Fixed assets	(99)	(75)	(24)	32.0%
Gain on Investments	268	266	2	0.8%
(Deficit)/Surplus for the year	(2,412)	2,806	(5,218)	(186.0%)
Actuarial Gain in respect of Pension Schemes	(845)	1,094	(1,939)	(177.2%)
Unrealised surplus on revaluation of tangible assets	380	0	380	0.0%
Comprehensive (Loss)/ Income	(2,877)	3,900	(6,777)	(173.8%)
<i>Surplus Excl. Pension Adjustments</i>	<i>1,448</i>	<i>2,489</i>	<i>(1,041)</i>	<i>(41.8%)</i>

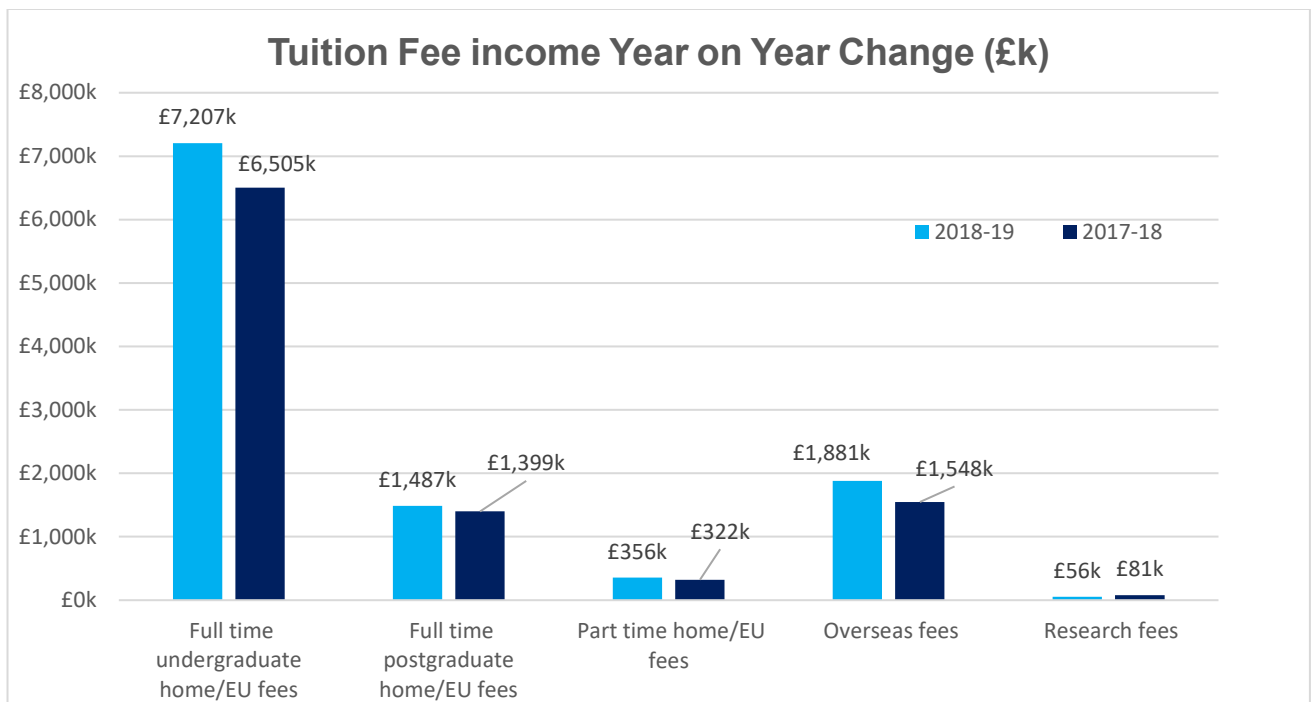
Income

Total income for the year increased by around the rate of inflation, at 1.7%, to £28.2m, (2017–18, £27.7m). The modest rise in overall income partly reflects the fact that strong growth in tuition fee income, (£1.2m), and 'other' income (£0.9m) was, to an extent, offset by a fall in donations and endowments, (£1.5m). The decline in donations and endowments was expected, as in 2017–18 the Conservatoire benefitted from the receipt of funds from the previously separately constituted, Laban Endowment Trust following its dissolution, (£2.2m). Furthermore, during 2017–18, funding was received to support the refurbishment of the Conservatoire's subsidiary Blackheath Halls. The Halls refurbishment project was completed in November 2018.

Strategic Report (continued)

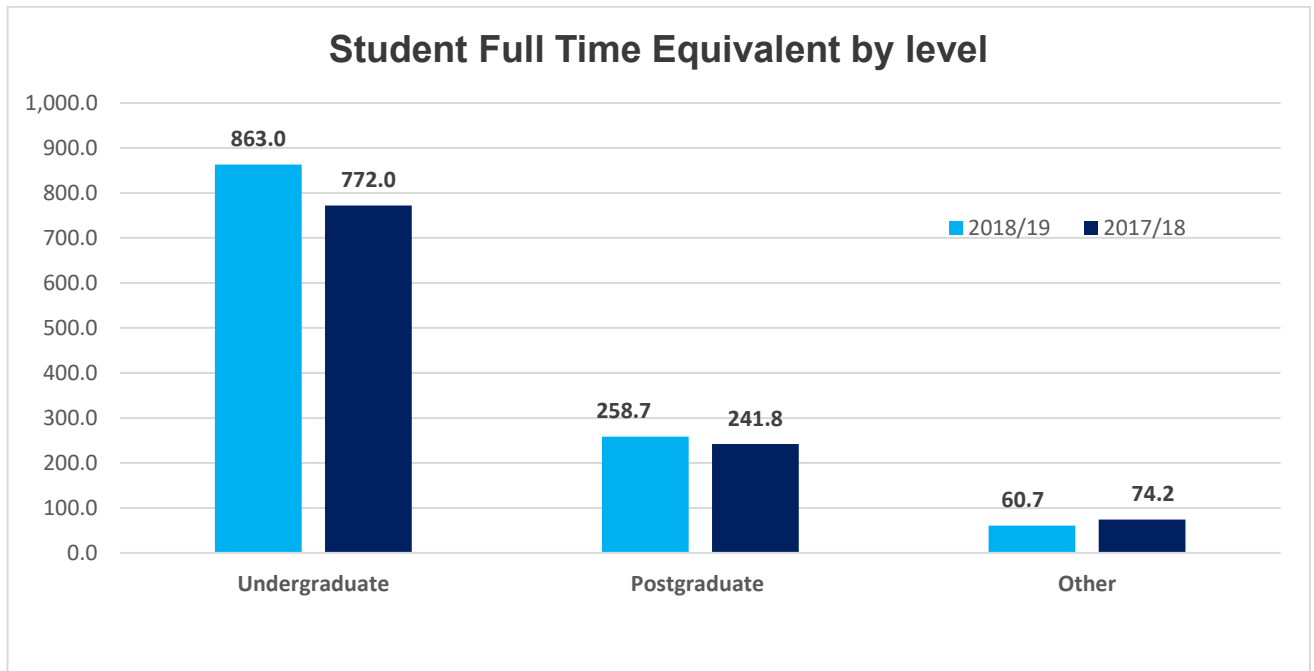


Tuition fee income grew by 9.3% as the number of enrolled students grew. In addition, 'Other' income grew by £0.8m (prior year adjustment excluded) or 20.3% mainly because the Conservatoire significantly increased the number of rooms secured under its nominations agreement with a private sector provider of student accommodation, contributing £0.7m to turnover. These gains were partly offset by a previously announced reduction in funding body grants (which fell by 2.2% or £0.1m). Further details of the change in tuition fee income are in the chart below.

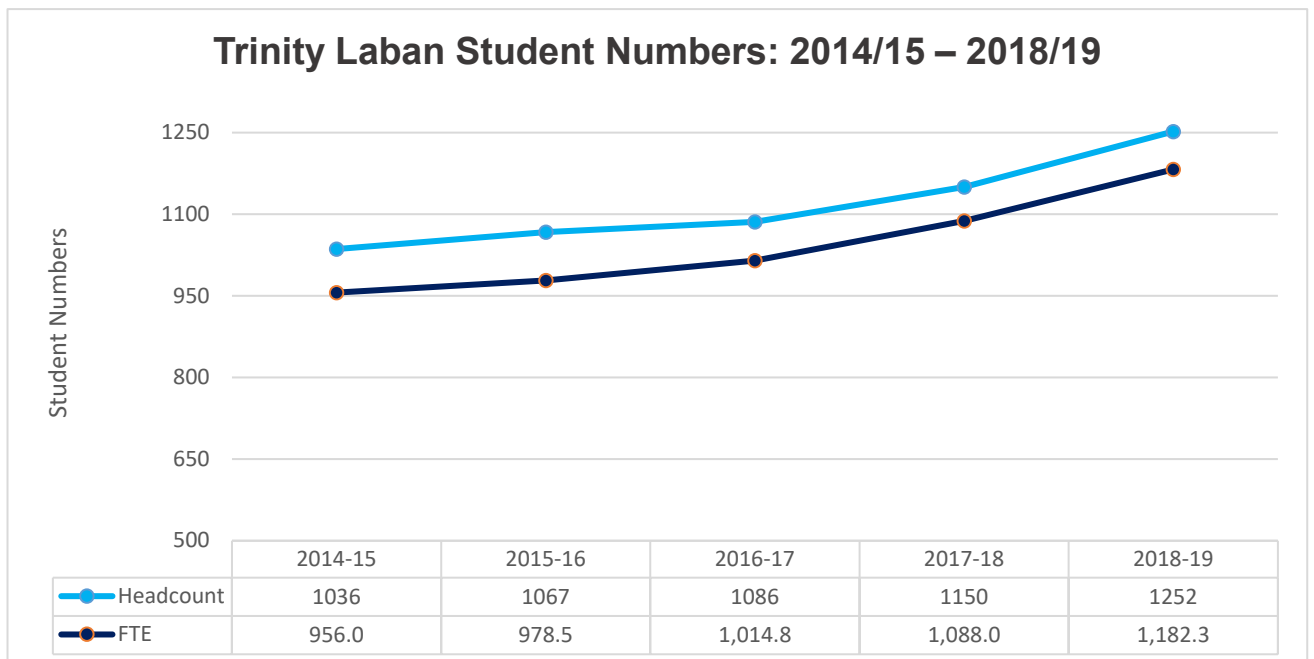


Strategic Report (continued)

With the exception of research student fee income, there were above inflation increases in all fee categories. Of particular note are rises of £0.7m, (or 11%), in full time undergraduate home/EU fee income and a rise in overseas tuition fee income of £0.3m (or 22%). The improvement in recruitment is also reflected in a rise in student numbers of almost 9% from 1,088 to 1,182. The chart shows that the growth in undergraduate Full Time Equivalent (FTE) Students, 91, accounts for almost all of the total increase, 94.



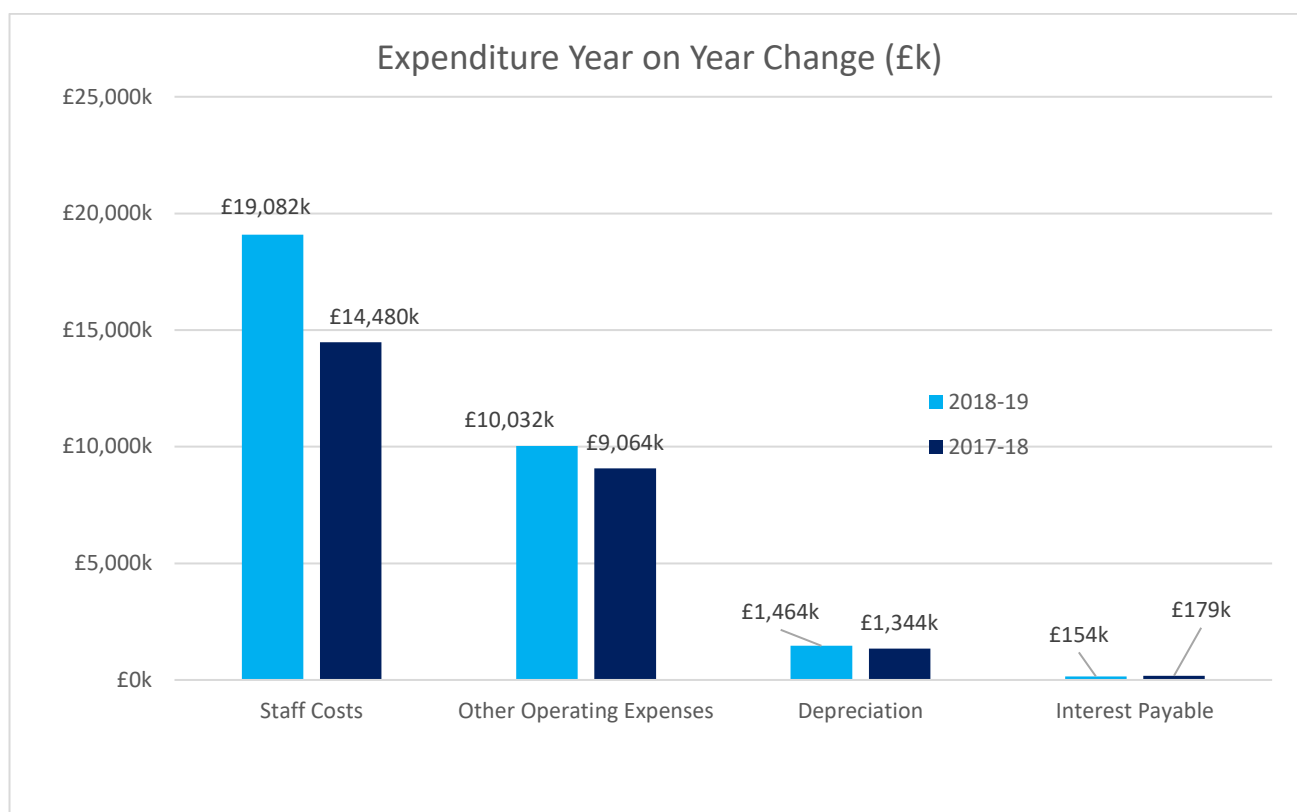
The chart below, showing recent recruitment, indicates that the gains in 2018–19 are part of a recent trend where the popularity of the programmes offered by the Conservatoire has led to a steady rise in the number of students enrolled.



Strategic Report (continued)

Expenditure

In addition to its excellent facilities for training and performance such as dedicated theatres and performance venues, the Conservatoire schedules intensive teaching, training and supervision by highly accomplished staff on its programmes of study. It is unsurprising, therefore, that staff costs constitute most of our expenditure. In 2018–19 overall costs increased by 22.6% to £30.7m from the previous year's total of £25.1m. The rise in staff costs accounts for 18.4% (or £4.6m) of the increase in total expenditure. However, most of the staff cost increase was caused by an increase in the USS pension charge, (noting that in 2018–19 there was a charge of £3.4m but in 2017–18 there was a net credit of £240k). If FRS102 pension adjustments are excluded, the increase in staff costs, compared to the previous year, is just over 5.1%, partly as a consequence of the nationally agreed pay award of 2.0%, the rise in USS employers' pension contributions of 1.5% with effect from April 2019, incremental progression and the need to engage additional staff to deliver our academic programme as student numbers grew.



The increase in other operating expenditure, (representing 3.9% of the total rise), partially reflects increased expenditure under the premises heading, (£205k), due to the acceleration of work on refurbishments and maintenance and the need to acquire more space for programme delivery. Expenditure on scholarships and bursaries grew by £217k as more students were enrolled and there is also a rise in the cost of student accommodation of £681k following the Conservatoire's decision to increase the number of bed spaces guaranteed under its nominations agreement with a private sector provider of student housing.

Additions to fixed assets

Additions to fixed assets, as set out in note 10 of the financial statements, amount to £2.3m, comprising building refurbishments of £1.4m, equipment of £0.4m and musical instruments of £0.5m. The additions to buildings mainly arise from a major refurbishment project at Blackheath Halls, the wholly owned subsidiary of the Conservatoire, which is used for, amongst other things, Trinity Laban's music performances, a space for rehearsals and a range of professional and community activities. The extensively modernised venue reopened in November 2018.

Strategic Report (continued)

Investment performance

Trinity Laban invests funds received for its permanent endowments and from the transfer of assets from the, previously separately constituted, Laban endowment. Funds transferred from the Laban Endowment form part of the Conservatoire's restricted reserves. Trinity Laban's Finance and General Purposes committee monitors the performance of its investment portfolio. The overall objectives are:

- to maintain, at a minimum, over the medium term (defined as five years, unless otherwise stipulated by the Committee), the real value of all permanent endowments as income generating assets;
- to adopt a total returns approach to investment, generating the investment return from income and capital gains (or losses);
- to produce a consistent and sustainable return from the aggregate of all permanent endowments to support the relevant portion of the annual budgeted expenditure on scholarships, bursaries and prizes, and specific projects;
- to include no specific investment restrictions or limitations on the portfolio;
- where practicable, to maximise, through a suitable combination of investment and income generation, the financial benefit obtained from all expendable endowments over the period that they remain current;
- to manage the investment assets, in which the endowments and a portion of restricted reserves are invested, within a balanced portfolio, subject to a low to medium degree of risk; and
- to benchmark the gross and net performance of the investments against recognised indices.

The committee has established an investment policy, which aims for a medium risk balanced portfolio, balanced with the need to generate income, both for current purposes and into the future. ('Medium risk' being a widely recognised term, the preference in this instance being for investments nearer the middle of overall risk classification. 'Balanced' referring to a suitable mix of income generation and capital growth). The endowment fund aims to distribute scholarships, bursaries and prizes of between 3% and 4% of endowment funds per academic year. This can be funded from both income and capital after making due allowance for preservation of capital values for future beneficiaries.

During the year, Investec continued as investment advisors to the Conservatoire. The overall non-current asset investment portfolio increased from £7.3m in 2017–18 to £8.0m in 2018–19. The significant increase partly reflects the decision by the Conservatoire's investment advisors to reduce their cash holdings. A total return, including dividend income, of 5.75% of assets invested was achieved in 2018–19, (5.2% in 2017–18).

During 2018–19 the Conservatoire received new endowments totalling £121k and, after taking account of expenditure and the gains from investments etc., the balance of endowments grew marginally from £6.8m in 2017–18 to £7.0m in 2018–19. Though modest, this is an improvement on the position reported in last year's financial statements where endowment funds did not grow.

Liquidity

Trinity Laban held a cash balance of £3.6m at the end of the 2018–19 financial year, down from £4.4m in 2017–18 and had net current liabilities at 31 July 2019 of £1.0m. The Conservatoire's financial strategy has a target to migrate to a position of net current assets however, as things stand, our balance sheet position remains sustainable because of the Conservatoire's relatively low borrowing (£0.8m at the balance sheet date) and the availability of the funds, transferred in 2017–18 from the Laban endowment trust, (£2.2m), which are held currently mostly as long-term investments.

Major financial risks

The Conservatoire continues to operate in a competitive environment for student recruitment. In response to the increased risk, the Conservatoire has increased its investment in student recruitment and marketing and is actively refreshing its academic offer to improve its appeal to existing and potential students. In addition to increased competition, the Conservatoire also faces a rise in uncertainty following the vote in June 2016 to leave the European Union. The Conservatoire currently attracts a relatively large number of EU students and is aware that the current lack of clarity over fees and finance after the United Kingdom leaves the EU may deter future applicants. The Conservatoire aims to counter the potential impact of the EU vote by building on its current active recruitment efforts across Europe, further exploration of potential markets globally and profile-raising activities to relay to the largest possible audience, Trinity Laban's reputation for world class teaching.

Trinity Laban still receives a significant proportion of its income from the Office for Students' (OfS) 'Institutional Specific Targeted Allocation'. Such funding is crucial for the Conservatoire sector as a whole due to the high cost of providing specialist training. Additional support for the high cost of Conservatoire teaching is also provided by generous benefactors and work by staff in our Development Office to enhance donations to our capital programme plus scholarships and prize funds form an important part of the Conservatoire's response to the evident pressure on public funding.

Strategic Report (continued)

Amongst other things, demographic changes and projected low investment returns continue to exert upward pressure on pension costs. Higher employer pension contributions have been included in the Conservatoire's financial forecasts to meet the expected increase in costs. Although many staff in the Higher Education sector benefit from automatic pay increments, there are signs of increasing discontent with pay awards at or below inflation. The increase of 1.8% put forward by employers in 2019–20 provides evidence that the relatively recent period of national pay restraint, with settlements of around 1%, has passed. Higher awards will put pressure on the Conservatoire's cost base and adds to existing impetus to secure greater economies whilst seeking additional sources of income.

The outcome of the review of Higher Education chaired by Philip Augar has been published and there is some uncertainty as to the extent to which his recommendations are to be adopted by the Government or at least influence the direction of HE policy. As the Conservatoire has relatively high dependence on tuition fees from Home and EU undergraduate students plus OfS funding, arguably, the outcome has the potential to have a disproportionate impact on our funding. However, we have noted specific reference made in the report to the particular needs of small and specialist Institutions which provides some comfort that care will be taken to understand fully the impact of changes on the high-quality teaching and training delivered by the Conservatoire sector before they are implemented. Also, our core strategy of income growth, including a greater focus on the growth of international tuition fee income, coupled with cost containment perhaps provides the best means to mitigate any possible adverse outcomes arising from implementation of the review's recommendation.

EDUCATION AND RESEARCH

We have continued to work in close partnership with our students to understand their needs and jointly take forward action to improve the quality of their academic, artistic and social life at the Conservatoire. A new Student Engagement and Experience Strategy 2018–2022 came into force this year, underpinned by a set of institutional Principles of Student Engagement which are that:

- engagement should contribute to the furthering of the Trinity Laban community to develop learning opportunities, which facilitate, and are facilitated by, artistic process and practice;
- engagement should drive institutional developments and enhancements that promote a shared ownership of Trinity Laban between students and staff, while also assisting in the management of quality;
- engagement should be open and honest through proactive communications that reinforce professional and artistic relationships between students and staff; and
- engagement should assist in the clarification about what services the Institution can or cannot reasonably deliver.

A student representation policy was documented in collaboration with the Students' Union, supported by a Student Voice booklet and web material that clearly explain the variety of ways in which students can give feedback on and positively influence their learning and teaching experience. Important pieces of work were undertaken to review student wellbeing and capture activity across the Conservatoire to support physical and mental health, drawing on Trinity Laban's active involvement in sector-wide research in this area and participation in the Healthy Conservatoires Network. New policy and guidance was issued on Disordered Eating and on Concussion.

The Conservatoire and its students benefit from outstanding teachers and learning support staff, and it has promoted recognition of excellent practice to enhance the institutional learning and teaching culture with two new schemes implemented in 2018–19. Through a rigorous peer review process, the first Trinity Laban teaching fellowships were granted to five staff who demonstrated that they had integrated scholarship and professional practice to improve teaching and curriculum development; utilised current pedagogic practices that are creative and adaptive; responded to the diverse needs of learners; and made a significant and positive contribution to their department or area of responsibility. It also introduced a Teaching and Supporting Learning Awards Scheme to acknowledge and disseminate initiatives that have positively influenced the student experience, prioritising excellence in the areas of assessment and feedback, innovative teaching and support for learning, collaborative approaches, and enhancement of the Trinity Laban Learning and Teaching culture. These markers of esteem for exceptional teaching supplement the formal accreditation achieved through the TL Augment professional development programme, validated by AdvanceHE, whereby staff are assessed against the UK Professional Standards Framework as either an Associate Fellow, Fellow or Senior Fellow of the Higher Education Academy. A record number of teaching staff successfully completed the programme in 2018–19.

Strategic Report (continued)

Trinity Laban continually reinforces the professional orientation, relevance and currency of training to prepare our graduates for leading employment in the performing arts industry, and connects students to industry networks, environments and opportunities. Alumni regularly go on to form their own companies, many of which grow out of collaborations and projects undertaken during their time at Trinity Laban.

The Conservatoire provides guidance, training and support to students and alumni on how to operate a creative business, both within curricula and through the careers service, and this has recently been augmented by two new initiatives. Launched in 2019 and open to all final-year undergraduate students, the TL Innovation Award provides a unique opportunity for emerging artists to access professional development support as they establish themselves within one of the fastest growing sectors of the UK economy. The award helps successful candidates to turn their idea into a reality by providing funding, mentoring from Trinity Laban alumni, and expert guidance from industry professionals. The diverse and original successful proposals in the first round spanned female artistic expression, boundary-pushing genre development, and the power of the arts for positive change in the community.



The successful candidates of the TL Innovation Award, pictured outside the Laban Building, are receiving funding and mentorship to help turn their ideas into reality.

The Conservatoire continues to develop its strong research base and, in 2018–19, generated significant outputs across its disciplines. In Choreography, Wayne McGregor (Professor of Choreography) worked on important premieres including *Orpheus* and *Eurydice* for English National Opera, and *Living Archive*, in collaboration with Google Arts and Culture Lab, at the Music Center, Los Angeles. Charles Linehan (Reader in Choreography) had performances of his *Shadow Drone* project in New York and Munich, and curated the first Trinity Laban International Screen Dance Festival. Zoi Dimitriou's *Vanishing Points* was shown at the Siobhan Davies Studios, London.

In Composition, there were several performances of Reader in Composition Dominic Murcott's *The Harmonic Canon*, including at the Royal Albert Hall. Sam Hayden (Professor in Composition) had his large-scale new solo piano work *Becomings (I-VII)* premiered at the Borough New Music Festival. Gwyn Pritchard (Professor of Composition) had the world premiere of his Quintet in Berlin.

Strategic Report (continued)

In text-based research, there were a number of notable publications. Jonathan Clark (Professor of Aesthetics) authored a paper for a special edition of *Midwest Studies in Philosophy* dedicated to 'Philosophy of Dance'. John Irving (Professor of Performance) wrote several chapters in the *Cambridge Companion to Historical Performance Practice*. Dr Sophie Fuller, in addition to curating the Venus Blazing festival at Trinity Laban, featured in national media, and contributed a book chapter for a new volume on women and music for Routledge. Emma Redding (Professor of Dance Science) co-authored two papers on Performance Science for the journal *Frontiers in Psychology*.

WIDENING PARTICIPATION

Trinity Laban has a mission to reach out to all sections of society as force for cultural and social progress. The Board has made the achievement of the greater diversity and inclusion a foremost priority for the Institution. In June 2019, the Conservatoire submitted a new, five-year Access and Participation Plan to the Office for Students which sets out how we intend to remove barriers to engagement with the Conservatoire; to close gaps in participation and achievement between groups; and to foster a positive learning culture that challenges inequity and meets the needs of all our students. This builds on a strong record of widening participation to specialist arts training which, most recently, saw Trinity Laban enrol the highest percentage of entrants from the most disadvantaged areas (Index of Multiple Deprivation Quintile 1) among all English conservatoires.

Given the increasing marginalisation of arts teaching in schools, Trinity Laban has a vital role in increasing opportunities for young people to access high quality and inspirational dance and music teaching, opening up progression routes and potentially entry to HE in our art forms. Trinity Laban's Learning and Participation teams in dance and music have very well established links with our local schools in Lewisham and Greenwich delivering a range of projects and initiatives, some of which involve our students. A flagship project last year was our involvement in Lewisham Live, a borough wide music and dance festival. With Arts Council support, the festival reaches 2,682 children and young people across the borough. Trinity Laban is a leading partner in the festival producing a number of events and projects. These included Live Dance at the Broadway Theatre involving 22 primary and secondary schools and Live at Trinity Laban, an evening of collaborative music and dance pieces, presented by four Lewisham school groups and a collaboration between our Animate Orchestra and dancers from the Youth Dance Company.

In May 2019, the Learning and Participation (Dance) team produced Co Motion, an inclusive youth dance platform with partners, Candoco Dance Company, Magpie Dance and Greenwich Dance. Held every other year, the platform provides disabled young people an exceptional performance opportunity at our internationally renowned Laban Theatre. The 2019 performance platform brought together inclusive contemporary dance performances from a variety of mixed-ability dance groups and companies including Cando2, Trinity Laban, Magpie Dance, Corali and Slide alongside participants from Riverside Secondary School. Over 100 young people with disability took part.

In the summer of 2019, we presented our Young Musicians Summer School aimed at local young people who would not ordinarily be able to take part in a summer school. Fees were heavily subsidised to allow young people from more disadvantaged backgrounds to participate. We offered creative music making, looping, writing music for film, song writing, band music technology and orchestra to attract young people with a wide range of musical interests. Two of the participants are intending to audition for Junior Trinity next spring.

Junior Trinity and The Dance Centre for Advanced Training (CAT), our progression programmes for young people in music and dance are going from strength to strength. The Dance CAT had a very successful year, recruiting 124 young people (aged 13–18) from London and across the south east. Their end of year performance was an exceptional occasion with six professional choreographers working with the young people; Jessica Wright, Morgann Runacre-Temple, Luke Birch, Neil Fleming Brown (Studio Wayne McGregor) and Ingrid Mackinnon (Uchenna Dance).

Junior Trinity's number of students on Pupil Premium and from BAME backgrounds continues to increase due to a targeted recruitment drive through Animate Orchestra, Partnership Schools and Young Musicians Summer School, which is heavily subsidised. We had a survivor of the Grenfell Tower disaster successfully audition for Junior Trinity during the year and they will be joining in September 2019.

Strategic Report (continued)

Student numbers enrolled on all the programmes this year were over 400 and continue to rise as more students apply to take our Distance Learning 'A' Level course because they cannot access provision locally.

KNOWLEDGE EXCHANGE AND PUBLIC ENGAGEMENT



Trinity Laban students perform at the launch of the Lewisham Creative Enterprise Zone.

The Conservatoire makes its facilities, research and advanced artistic practice available to the arts industry and wider society through extensive programmes of knowledge exchange and public engagement that promote cultural, social and economic benefit. In 2018–19, it was delighted to be a partner organisation in the creation of a new Creative Enterprise Zone (CEZ) for Lewisham. Creative Enterprise Zones are an initiative of the Mayor of London to provide investment and support for artists and creative businesses in the capital. SHAPESLewisham, the CEZ for Deptford and New Cross, is delivered by a partnership of Trinity Laban, Second Floor Studios & Arts, Studio Raw, The Albany, Lean, Goldsmiths, University of London, and Lewisham Council, and aims to retain creative talent from the borough's education institutions and increase affordable spaces for the fast-growing creative sector.

This year also saw the development of our public facing online learning presence with the launch of Trinity Laban's first Massive Open Online Course (MOOC). Hosted on FutureLearn, the Open University's MOOC platform, this free to access 4 week long online course, the first as far as we know to be offered by a UK conservatoire, provides an introduction to the skills involved in making music with others and serves as a feeder to our Certificate the Practice of Music Making. To date over 1,400 learners have subscribed to the course from all over the globe.

Professional development activity for the arts workforce this year continues to be a vital contribution to our knowledge exchange programming. Learning & Participation (Music) were approached for a second consecutive time to partner with the Musicians' Union to host and produce their biennial teachers' professional development weekend which included a key note by Nitin Sawhney. Tailored schemes for the music education workforce linking to the professional world have also been a key feature of our work, with an L&P Music Fellowship scheme offering mentoring and bespoke support for seven individuals, as well as an Action Learning Set for project managers.

Trinity Laban's outreach into our local community and beyond delivers performance, educational and participatory activities that draw on the excellence of our specialist HE core to expose audiences and learners to contemporary dance and music of the highest standard. Annual headline figures show that:

- 37,451 people danced, created, performed, watched or participated in our learning & participation and community programmes.
- 11,497 of participants were children and young people.
- 935 of participants were disabled children or young people.
- 722 of participants were older people aged 60+.

There were 75,484 attendances at our public performances, over half of which were free of charge. With the generous support of the Hearn Foundation and Arts Council England, we undertook a major refurbishment of our Blackheath Halls venue to enhance the experience of performers and audiences alike, and consolidate the Halls' position as an exemplary multi-art form centre with cutting edge artistic standards built from and serving the diversity of its community.

We have continued to be part of Tate Exchange at Tate Modern this year by facilitating a broad programme reflecting Tate's theme of "Movement" which involved 4,802 people as participants and audience. Our programme included two CoLab projects, *Between*s and *Apart*s, interrogating possibilities that lie within the collision of music, dance and

Strategic Report (continued)

architecture with Trinity Laban students linking with the University of West England and a Protest Choir combining the physicality of movement with the idea of creating a social movement involving public participation. In addition, we organised the event 'Cross polli.nation Contact Jam' as part of a Tate Late; Creative Collision III where the Dance CAT students explored choreographic process in the space with artist Luke Birch; Movement as Living Architecture saw Foundation students use physical space as a catalyst for creating movement; ran participatory workshops for children; and supported Micro Rainbow, a group of LGBTQI+ refugees and asylum seekers, to explore Movement as Source and Sanctuary.

Our distinctive research, grounded in our expertise in creative practice, is designed and applied in ways that maximise impact for our art forms, for practitioners and the general public. In the past year, advanced physiological and psychological health screening techniques developed by Trinity Laban's world leading Dance Science department have supported many professional performers, including a dancer with the Bolshoi Ballet and members of a top London hip-hop company, Far From the Norm. Screening enables performing artists to assess levels of fitness and set and achieve goals to optimise their performance potential. While traditionally dance science research has focused on the bodies of contemporary or ballet dancers, by working with performers in a diverse range of dance styles, Trinity Laban is opening up new areas of research into how different types of dancers train and the impact it has on their bodies.

ARTISTIC AND PERFORMANCE HIGHLIGHTS

In 2018–2019 Trinity Laban performances reached wide audiences across dance, music and musical theatre in London, in the UK and beyond. This was a landmark year for the Faculty of Music, with our Venus Blazing initiative showing an unprecedented commitment to championing female composers, who accounted for over half of the pieces performed in large-scale concerts during the year. Venus Blazing encompassed 60 events, of which a major highlight was the BBC Radio 3 Lunchtime Concert on 8 March 2019, International Women's Day. Broadcast live from the Peacock Room at King Charles Court, the concert celebrated British women in song from the Victorian era to the present day and featured Trinity Laban students, staff and alumni. Our Vocal Department also staged two operas as part of Venus Blazing. Thea Musgrave's *A Christmas Carol* was performed at Laban Theatre in December, and the year ended with a double bill of contemporary opera *Svadba* by Ana Sokolović and Monteverdi's *Lamento della Ninfa* at the Queen's House in Greenwich.



Students put on a fantastic performance of Ana Sokolović's all-female Serbian opera Svadba in Greenwich in July.

Performances this year provided outstanding individuals with the chance to shine. In January, our annual Gold Medal Award took place for the first time at the Purcell Room, Southbank Centre. Violinist Elena Abad won both the Judges' Prize (adjudicated by Sam Jackson of Classic FM and trumpeter Alison Balsom) and the Audience Prize. Another string student who enjoyed success this year is undergraduate harpist Noelia Cotuna. She won the Soloists' Competition 2019, earning the opportunity to play Henriette Renié's Harp Concerto in C minor with Trinity Laban Symphony Orchestra at Cadogan Hall.

Strategic Report (continued)

Away from traditional performances, Composition PhD student Hollie Harding held the world premiere of the eco-political immersive piece *Melting, Shifting, Liquid World* at the National Maritime Museum in Greenwich. Performed by Trinity Laban String Ensemble with Head of Strings Nic Pendlebury on electric viola, the piece was partly conveyed to the audience through bone-conduction open-ear headphones. It was a fantastic demonstration of the innovative approach to technology and collaboration at the centre of Trinity Laban's training and research.



Head of Strings Nic Pendlebury played the solo viola part in Hollie Harding's *Melting, Shifting, Liquid World* at its premiere.

There was success for the Musical Theatre Department too; second-year students took to the stage for performances of *Bye Birdie* and *Sweet Charity* at Blackheath Halls, whilst final year students performed critically acclaimed runs of *Cabaret* and *Legally Blonde*.

The Faculty of Dance also had a fantastic year of diverse performances. Laban Theatre welcomed Polish Dance Theatre and Scottish Dance Theatre, arguably two of the most exciting dance companies in Europe to its stage. Second-year undergraduate students performed a recreated 'lost' work entitled *Drumstick* by Rudolf Laban, alongside other key historical dance pieces. Transitions Dance Company successfully toured works by Karole Armitage, Marina Collard and Hetain Patel in the UK and to a range of international venues.

As part of the worldwide celebrations of Merce Cunningham's centennial, Trinity Laban Dance Lecturer Daniel Squire staged the London leg of *Night of 100 Solos* at the Barbican Centre. In further recognition of Cunningham's legacy, July 2019 saw students from the Juilliard School in New York working with their Trinity Laban counterparts on a Cunningham project and performance.



Transitions Dance Company perform Hetain Patel's *YouTube Made Me*.

Strategic Report (continued)

Throughout the year, there were multiple examples of dance students showing creativity and innovation. Fulbright Scholar Roman Baca live-streamed his research-in-progress and perform a durational piece entitled *In-Trench* piece for his Master of Fine Arts in Choreography, drawing on his experiences as both a dancer and military veteran.

2018/19 also saw performances take Trinity Laban students out into the community and across the world; in May 2019 our musicians and dancers came together to perform as a collective named MADE (Music and Dance Ensemble) in Hong Kong and at the launch of the Lewisham Creative Enterprise Zone in May.

ACHIEVEMENTS BY STUDENTS, ALUMNI AND STAFF

This academic year was no exception for past and present members of the Trinity Laban community recording exceptional achievements. Graduating students and recent alumni progressed onto important training and developmental schemes. In music, Noelia Cotuna, now a fourth-year BMus student, was selected for the Berliner Philharmoniker's Karajan Academy 2019–2021, and composition alum Nicholas Morrish is taking part in Los Angeles Philharmonic Orchestra's National Composers' Intensive 2019.

In dance, Hannah Connor, who obtained a First Class in her BA (Hons) Contemporary Dance and was the Contemporary Category Finalist in BBC Young Dancer 2019 whilst still in her fourth year is now an Apprentice Dancer with Phoenix Dance Theatre.

Dance alumni Tommy Cattin, Jay Yule and Thomas Page are dancing with Open Borders 2019, 2016 graduate Sophie Page is now an Apprentice Dancer with Motionhouse, Paula Drera won a contract with HimHerIt and Benni Pohlig joined Swedish contemporary dance company Cullberg Ballet.



Hannah Connor rehearses for her performance in the Contemporary Category Final of BBC Young Dancer.

Students, staff and alumni performed in high-profile productions and tours this year including two shows by renowned choreographer Matthew Bourne. Dance students Ashton Hall and Kayleigh Oborka-Letman were selected to take part in Matthew Bourne's *Romeo and Juliet*, and recent graduate Cameron Everitt joined New Adventures for the international tour of *Swan Lake*. Alum Olly Bell performed with Rosie Kay Dance Company in *10 Soldiers*. MT students who graduated in Summer 2018 are already making an impact. Molly Osborne is in *Fiddler on the Roof* on the West End, while Jochebel Ohene MacCarthy is on the UK tour of *The Lion King*, having finished the international tour of *GHOST The Musical*.

Head of Composition Dominic Murcott took his piece *The Harmonic Canon* on a UK tour, culminating in a record launch at the Royal Albert Hall. British composer and alum Cecilia McDowall presented the world premiere of her *Da Vinci Requiem* at the Royal Festival Hall in May, marking Leonardo da Vinci's quincentenary.

Many were honoured with prizes and awards. John Powell was nominated for Best Film Composer of the Year at the World Soundtrack Awards 2019, and was presented with the International Film Music Critics Association Awards for Score of the Year and Best Original Score for a Fantasy/Science Fiction/Horror Film for his work on the Star Wars spin-off film *Solo*. Popping For Parkinson's founder Simone Sistarelli will continue to turn symptoms into strengths supported by Red Bull Amaphiko UK, a global programme which champions social entrepreneurs who are driving positive change. Composer, arranger and saxophonist Cassie Kinoshi's SEED Ensemble, a 10-piece collective featuring fellow alumni Sheila Maurice-Grey, Chelsea Carmichael, Cherise Adams-Burnett and Joe Armon-Jones, released the collective's debut album *Driftglass* in February, which was nominated for the 2019 Mercury Prize.

Strategic Report (continued)

In jazz, there were many award wins for alumni, including Jazz FM Awards for Cassie Kinoshi (Breakthrough Act of the Year), Cherise Adams-Burnett (Vocalist of the Year), and Nubya Garcia (Jazz Act of the Year), while Ezra Collective and Cherise Adams-Burnett have been nominated for Parliamentary Jazz Awards.

Trinity Laban professor of flute Susan Milan was honoured by the National Flute Association honours for her commitment to music and Rose Brandt won Inspirational Lecturer at College, University or Conservatoire at the One Dance UK Awards. Trinity Laban got four nominations, more than any other organisation.

EQUALITY, DIVERSITY AND INCLUSION

Trinity Laban believes in principles of social justice, acknowledges that discrimination affects people adversely, and is committed to challenge all forms of inequality. To meet this objective, Trinity Laban aims to ensure that:

- individuals are treated fairly, with dignity and respect regardless of their age, disability, sex, gender reassignment, pregnancy, maternity, race (which includes colour, nationality and ethnic or national origins), sexual orientation, religion or belief, or because someone is married or in a civil partnership. These are known as "protected characteristics";
- everyone is given the opportunity to fulfil their potential;
- it promotes an inclusive and supportive environment for staff, students and visitors; and
- it recognises the various contributions to the achievement of Trinity Laban's mission made by individuals from diverse backgrounds and with a wide range of experiences.

The Institution celebrates diversity in all of its forms, and seeks to build on its long history of engaging with diverse groups and working with a broad range of artists. Through its Equality Objectives and related action plans significant strides will be made in the understanding, embedding and celebrating of Equality and Diversity throughout the Institution and its wider community.

Following extensive consultation and facilitation by the Equality Challenge Unit, the Institution has adopted the following Equality & Diversity Objectives for the period 2017–2021:

1. build awareness, understanding and behaviour change to support Equality & Diversity throughout the Conservatoire;
2. embed principles of Equality & Diversity in all aspects of widening participation and student recruitment activity;
3. showcase, celebrate & champion diversity; in Equality & Diversity work; in the staff and student body, the Institution's Board of Governors, audiences and artists, participants; partnerships; and programmes;
4. increase the Institution's understanding of differences in the challenges and barriers to student success and attainment; and
5. advocate for diversity in music, dance and musical theatre within the wider arts and higher education sector.

The Equality Objectives are targeted to cover all elements of the Institution's higher education, learning and participation, outreach and audience communities. By setting these Equality Objectives, we also comply with our legal responsibility to set and publicise at least one Equality Objective for the four year period. Trinity Laban has put in place a framework to support the achievement of its equality goals which, in 2018–2019, included our:

- Equality and Diversity Policy.
- Equality Objectives.
- Equality Action Plan.

Strategic Report (continued)

Equal Opportunities Policy

Trinity Laban's Equal Opportunities Policy aims to ensure that no student, member of staff or visitor is subjected to unfair discrimination. Trinity Laban will not discriminate unfairly on the grounds of any of the protected characteristics as identified by the Equality Act 2010 and is committed to developing and sustaining a positive and supportive working environment for our staff, and an excellent teaching and learning experience for our students and will endeavour to ensure that staff and students give due respect to each other, their work or ideas.

A programme of equality and diversity training continues to be delivered (and further developed) across Trinity Laban to members of staff as part of their induction process supplemented with internal training modules, which includes good recruitment practice, dignity and conduct at work and well-being awareness. In addition, support for staff with mental health and disability issues, continues to be strengthened.

Staff involvement and consultation

Colleagues are encouraged to help ensure Trinity Laban has a diversity of perspectives in its work.

Our regular formal methods for informing and consulting colleagues include:

- Joint Negotiating and Consultation Committee (JNCC), a consultation forum made up of 4 representatives of unions and 4 members of senior management;
- staff and student representation on our Board of Governors;
- student and staff representation on our formal committees;
- our Equal Opportunity and Diversity committee;
- our Health and Safety workgroup;
- our Data Protection workgroup;
- regular informal meetings with staff representatives;
- the Trinity Laban intranet, which is available to all colleagues in all of Trinity Laban's sites and remotely;
- regular group meetings, to speak to and hear from colleagues;
- interactive group meetings with the Principal and Executive Directors, which provide a forum for colleagues to ask their questions directly; and
- staff surveys, which invite colleagues to share their views anonymously on a wide range of topics. The outcomes of these surveys provide a foundation for our organisational development work.

FUNDRAISING

With the continuing challenges of the public funding environment, our supporters remain crucially important to Trinity Laban. We are so thankful to the members of our Development Board, led by Governor and patron, John Crompton, who have tirelessly given their time and support to Trinity Laban throughout the year. This includes hosting a number of events throughout the year, including at Matthew Bourne's Swan Lake at Sadlers Wells, the Dover Street Art Club and the Admiral's House in Greenwich.

The Development Board are committed to raising funds for our scholarship fund – a priority for our institution. Through working with the Development Team, this has resulted in a continued rise in scholarships across both our Faculties of Music and Dance, with the annual target achieved some months prior to the end of the financial year. As ever, huge thanks to all the Foundations and Individuals who have so generously supported Trinity Laban in this area.

We remain particularly indebted to Trinity College London for its outstanding generosity, not least for gifting six new pianos to the Faculty of Music, in memory of Alan Britten CBE HonFTL (1938–2016), a governor of both our institutions. The five Steinway Bs and the Yamaha Disklavier have been housed in six new piano studios at King Charles Court and are a wonderful resource for students. We are also truly grateful for Trinity College London's ongoing support for scholarships.

Strategic Report (continued)

The year has also seen generous support being given for the renovation and redecoration of some of our key rooms at King Charles Court and we hope that this will be a catalyst for further support to enable us to keep our World Heritage building in good shape. We are very proud to now have The Philip Carne Room and The Loveday Room within our Faculty of Music. Trinity Laban is extremely grateful to all its supporters; their gifts have made a crucial difference and all are deeply appreciated. However, if we can just make particular mention of:

- The Carne Trust, for providing ongoing generous support towards engaging Visiting Artists, for its support of emerging artists, through the Junior Fellowship Programme and for its patronage of a new Chamber Music Competition, which will launch in the 2019/20 academic year.
- The Leverhulme Trust for its extensive support for students across music and dance.
- The Wolfson Foundation for its support to both senior and junior music students.

Trinity Laban's legacy strategy continues to attract interest and the number of pledges continues to steadily grow. Our annual legacy lunch is now a firm fixture in our calendar of events, which provides us the opportunity to welcome existing and new supporters to find out more about planned future giving. Whilst we acknowledge the sad loss of those who have passed away over the last year, we are proud to honour their memory by carrying out their wishes in support of Trinity Laban and its students.

Trinity Laban is registered with the Fundraising Regulator and is fully committed to compliance with the Fundraising Code of Practice. Our aim is that every donor, new or existing, should have a positive experience when supporting Trinity Laban. We act with responsiveness and accountability whilst ensuring that everyone we are in contact with is treated with fairness and respect.

FUTURE DEVELOPMENTS

Trinity Laban has adopted an ambitious ten-year Strategic Plan 2018–2028 which aims to consolidate a distinctive and valued position within the international conservatoire sector and wider arts world through:

- A clear emphasis on innovation, creativity and collaboration within our curricula, programme portfolio, and learning and teaching delivery including the intrinsic use of new technologies.
- Provision of a personalised, supportive and intensive learning experience that prepares skilled, collaborative and resourceful graduates for contemporary artistic careers.
- A commitment to diversity that establishes Trinity Laban as a champion for inclusive practice in the arts and arts education.
- An understanding of the social impact of our art forms and their capacity to provide transformative experiences to all, preparing our graduates to shape the future social and cultural landscape, and promoting thriving, cohesive communities.

The Strategy is underpinned by a five-year implementation plan that prioritises the delivery of critical success factors that are necessary pre-requisites for a sustainable future, namely to:

- **Deliver high quality education, training and performance activity** fit for the development of the artists of the future and training – to assure and increase student satisfaction and graduate success.
- **Build our reputation and profile** – to amongst other things support recruitment.
- **Grow our student numbers** – to increase fee income and spread risk through programme diversification.
- **Deliver major developments to our estate and infrastructure** – to enhance the student experience, accommodate more students, and provide spaces conducive to artistic innovation.
- **Increase the diversity of our student and staff populations** – to demonstrate authentic commitment to making change and counter negative perceptions of the conservatoire sector that could undermine our funding case.

Critical success factors are linked to operational plans and are reviewed by the Management team and the Board of Governors to ensure progress is being made on achieving the aims of the strategic plan.

Strategic Report (continued)

We continue to grow student numbers through expansion and diversification of our programme portfolio and curricula in ways that encourage innovation and respond to contemporary artistic and educational contexts. Following strong recruitment to the new foundation entry pathway to the BA Contemporary Dance in 2018–19, we shall launch the BSc Dance Science next year which adds undergraduate study to our well established postgraduate and research programmes in this discipline. In Music, new provision in Music Education and in Creative Performance is planned. A full review of postgraduate programmes across Dance and Music will take place in 2019–20.

Our growth plan will be supported by major enlargement and improvement of our estates and infrastructure to enhance the student experience, accommodate more students, and provide spaces conducive to experimentation and collaboration. We are progressing with a developer the creation of a new facility adjacent to the Laban Building which will provide a significant number of additional teaching and rehearsal studios and a 150-seat Concert/Performance space. The planning application has been submitted with a determination anticipated early in the 2019–20 academic year.

ACKNOWLEDGEMENTS

In closing this report, the Board wishes to record its thanks to governors who retired in 2018–2019: staff governor Dr Aleksander Szram and student governors Anastasios Michalis and Emma Holt.

PUBLIC BENEFIT STATEMENT

Charitable status

Trinity Laban Conservatoire of Music and Dance is a registered charity and, as such, its charitable obligations are regulated by the Charity Commission. The Governors are Directors of the Company and Trustees of the Registered Charity as provided under the Charities Act 2011. The Board confirms that, in formulating this annual report and audited financial statements for the year ended 31 July 2019, it has complied with the duty in the Charities Act 2011 to have due regard to the general guidance on public benefit.

Charitable purposes and activities

Trinity Laban Conservatoire of Music and Dance's charitable purposes as set out in its Memorandum of Association are:

- to advance the art and science of music, dance and associated art forms generally for the public benefit; and
- to improve the professional and technical education of music, dance and other students.

The Conservatoire delivers its charitable purposes and associated public benefit through the following principal activities:

- the provision of specialist, practice-based higher education which prepares and equips students for successful careers in a range of professions including as performers, composers and choreographers in the fields of music and contemporary dance to their own and the wider public benefit;
- the provision of lifelong learning opportunities in dance and music to students ranging from children and young people to professional practitioners and adult learners;
- the delivery of outreach and community-based projects and activities, which support economic and social well-being and widen access to the arts and higher education;
- the promotion of research and scholarship in its specialist disciplines that advances the art forms of music and dance, both individually and in collaborative contexts, and develops professional practice to the highest levels; and
- the delivery of music and dance performances by its students, staff and associated professional artists and companies in a variety of venues to a wide spectrum of audiences.

The Strategic Report of the Board above includes further information on Trinity Laban's activities and their impact, highlighting examples from the 2018–2019 reporting year.

Beneficiaries

The main beneficiaries of the Conservatoire's charitable activities are:

- Students – The Conservatoire provides world-leading, specialist higher education to approximately 1,200 undergraduate, postgraduate and doctoral students per year.
- Alumni – As well as benefiting from the employment opportunities and personal development afforded by their higher education study and qualifications, graduates receive continuing support and services from the Conservatoire as they pursue their careers.
- Community participants – Each year, around 15,000 people take part on our participatory projects while our performances attract annual attendances of c.80,000, of which nearly half are free.
- Professional artists and arts educators – Trinity Laban offers an extensive programme of support for the professional and creative development of independent artists and arts companies.
- Partner organisations – Trinity Laban is a sought-after partner among professional companies, public and third sector organisations and government agencies. We are able to act as a broker and enabler for organisations to connect not only to the Conservatoire's own expertise and services but to many different communities of practice within our wider network.
- Wider society – the Conservatoire's ground-breaking research and artistic practice contribute to the advancement of the art forms of music and dance, advancing the UK's cultural sector and promoting social and economic value.

Public Benefit Statement (continued)

We respect the voice and agency of those we engage with, and we prioritise the active involvement of students and participants in the planning, delivery and evaluation of our activities. We have established a variety of forums and communication channels for beneficiaries to share their views and work with us to shape programmes to their needs and interests. This includes student representation on all institutional committees up to and including the Board of Governors.

Approved on behalf of the Board on **28 November 2019** and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'G. M. Copland', written in a cursive style.

Dr Geoffrey Copland CBE
Interim Chair of Governors

CORPORATE GOVERNANCE AND INTERNAL CONTROL

Legal and Administrative Details

Patron	His Royal Highness The Duke of Kent KG GCMG GCVO ADC	
Board of Governors		
Independent Governors	The Rt Hon Harriet Harman QC MP (Chair)	
	Dr Geoffrey Copland CBE (Vice-Chair) *	
	Rebecca Allen	
	John Crompton	
	Deborah Harris-Ugbomah	
	Sam Jackson	
	Martin Kettle	
	Jocelyn Prudence	
	Professor Nirmala Rao OBE	
	Bill Robinson	
	Narind Singh	
	<i>*Note Dr Copland stands as interim Chair from 1-09-2019 to 06-01-2020.</i>	
Co-opted Governors	Councillor Ian Hawking (appointed November 2018) Councillor James Walsh (appointed November 2018)	
Ex Officio Governors	Professor Anthony Bowne (Principal)	
Staff Governors	Dr Aleksander Szram (retired November 2018) Professor Gabriella Dall'Olio (appointed November 2018) Laura Witt	
Student Governors	Anastasios Michalis (Appointed 1 Aug 2018, retired 31 July 2019) Emma Holt (Appointed 1 Aug 2018, retired 31 July 2019)	
Secretary & Clerk to the Board	Dean Surtees	
Registered Name and Office	Trinity Laban Conservatoire of Music and Dance King Charles Court Old Royal Naval College Greenwich, London, SE10 9JF (Limited by guarantee)	
Company Registration Number	00051090	
Charity Registration Number	309998	
Company Secretary	Dean Surtees	
Auditors	External Auditor	Internal Auditor
	BDO LLP	KCG
	2 City Place	Kingston University
	Beehive Ring Road	Room 1009, Kenry House
	Gatwick, West Sussex, RH6 0PA	Kingston upon Thames KT2 7LB
Bankers	Allied Irish Bank (GB) 1 st Floor Berkeley Square House, 4-19 Berkeley Square, Mayfair, London, W1J 6BR	NatWest Bank 10 Marylebone High Street London, W1U 4BT

Corporate Governance and Internal Control (continued)

Constitution

Trinity Laban Conservatoire of Music and Dance was incorporated on 23 February 1981. Trinity Laban is a company limited by guarantee, and a registered charity. Trinity Laban owns The Blackheath Halls and BCH Enterprises Ltd, as wholly owned subsidiaries.

Trinity Laban is governed as described in the Memorandum and Articles of Association as approved by Privy Council and Charity Commission.

Corporate governance

In accordance with the Companies Act 2011 and the Institution's Articles, the Board of Governors is responsible for the oversight of the Institution and ensuring effective systems of internal control and accountability. The Board is required to present audited financial statements for each financial year.

Trinity Laban aligns its practices to the guidance of the UK Committee of University Chairs code (CUC). The Board keeps its governance arrangements under regular review and evaluated its alignment to the 2014 version of the CUC Code in 2016, building on earlier reviews. During 2018-19 our internal auditors carried out a review of compliance with the CUC code. The audit concluded that that associated risks material to the achievement of the Conservatoire's objectives were adequately managed and controlled.

The Board is responsible for the institutional system of internal control. There is an on-going process for identifying, evaluating and managing the Institution's significant risks which is overseen by the Principal's Management Group reporting regularly via the Audit Committee to the Board. This process accords with the guidance in the CUC Code and the requirements of OfS/ the Office for Students.

The Institution maintains public information on governance arrangements through its website.

The corporate governance procedures, structures and risk management processes described in this section have been in place throughout the year ended 31 July 2019, and up to the date of approval of these financial statements.

Statement of Responsibilities of the Board of Governors

In accordance with the Conservatoire's Memorandum and Articles of Association, the Board of Governors is responsible for the administration and management of the affairs of the Conservatoire and is required to present audited financial statements for each financial year.

The Board of Governors (the Governors of which are also the directors of the Conservatoire for the purposes of company law) is responsible for preparing the Report of the Governors (including the Strategic Report) and the financial statements in accordance with applicable law and regulations.

Company law requires the Board of Governors to prepare financial statements for each financial year. Under that law, the Board of Governors is required to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. In addition, the Board of Governors is required to prepare the financial statements in accordance with the terms and conditions of the OfS Memorandum of Assurance and Accountability (July 2017) and the terms and conditions of funding for HEIs through its accountable officer. Under company law, the Board of Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Conservatoire and the Group and of the surplus or deficit, gains and losses, changes in reserves and cash flows of the Conservatoire and the Group for that year.

In preparing the financial statements, the Board of Governors is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Conservatoire and Group will continue in business.

Corporate Governance and Internal Control (continued)

The Board of Governors is responsible for keeping adequate accounting records that are sufficient to show and explain the Conservatoire's transactions and disclose with reasonable accuracy at any time the financial position of the Conservatoire and enable it to ensure that the financial statements comply with the Memorandum and Articles of Association, the Statement of Recommended Practice – Accounting for Further and Higher Education as issued in March 2014 and any subsequent amendments, the OfS terms and conditions of funding and OfS Accounts Direction and the Companies Act 2006. They are also responsible for safeguarding the assets of the Conservatoire and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board of Governors has taken reasonable steps to ensure the Conservatoire:

- Has a robust and comprehensive system of risk management, control and corporate governance including the prevention and detection of corruption, fraud, bribery and irregularities.
- Has regular, reliable, timely and adequate information to monitor performance and track the use of public funds.
- Plans and manages its activities to remain sustainable and financially viable.
- Informs the OfS of any material change in its circumstances, including any significant developments that could impact on the mutual interests of the Conservatoire and the OfS.
- Uses public funds for proper purposes and seeks to achieve value for money from public funds.
- Complies with the mandatory requirements relating to audit and financial reporting, set out in our Audit Code of Practice and in the annual accounts direction issued by the OfS.
- Sends the OfS:
 - the annual accountability return;
 - other information the OfS may reasonably request; and
 - any data requested on behalf of the OfS or Research England's behalf by the Higher Education Statistics Agency (HESA).
- Has adequate and effective arrangements for the management and quality assurance of data submitted to HESA, the Student Loans Company, the OfS and other funding or regulatory bodies.
- Has an effective framework – overseen by its academic board to manage the quality of learning and teaching and to maintain academic standards.
- Considers and acts on the assessment of the OfS of the Conservatoire's risk specifically in relation to funding. The Board of Governors is responsible for the maintenance and integrity of the corporate and financial information included on the Conservatoire's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Board of Governors confirm that:

- so far as each Governor is aware, there is no relevant audit information of which the Conservatoire's auditor is unaware; and
- the Governors have taken all the steps that they ought to have taken in order to make themselves aware of any relevant audit information and to establish that the Conservatoire's auditor is aware of that information.

Recruitment and appointment to the Board of Governors

The members of the Board of Governors who served during the year and up to the date of this report are listed on page 19. The Governors are directors for the purpose of company law and trustees for the purpose of charity law.

Corporate Governance and Internal Control (continued)

The Board has a majority of independent members: neither employees nor students of the Conservatoire. The Board also includes student representatives and members elected by staff.

Under the company's Articles, Independent members are elected to serve on the Board for a period of four years after which they may be re-elected for a further four-year period with any further extension approved only exceptionally. The Board, through the Nominations Committee, seeks to recruit a diverse membership. The Nominations Committee periodically considers the skills mix of the Board as a means of succession planning.

Independent members do not receive fees or other remuneration for serving as Governors, Directors and Trustees but are entitled to recover expenses as outlined in the notes to the Accounts. Provision is made for remuneration for governors for business services to the Institution beyond their duties as members of the Board subject to the Board's approval.

Governor/Trustee induction and training

All members receive induction, addressing their particular needs and interests, including a series of meetings and briefings with staff, receipt of information packs and regular invitations to internal and external events/seminars and conferences as a means of continuous development.

Responsibilities and delegated authority

The Board maintains the following Statement of Primary Responsibilities, in accordance with the Memorandum and Articles. The Board will:

- determine the educational character and mission of Trinity Laban through approval of long-term academic and business plans and key performance indicators;
- delegate authority to the Executive, working with the Directors, for the academic, corporate, financial, estate and personnel management of the Conservatoire, and to establish and keep under regular review the policies, procedures and limits within such management functions;
- ensure the establishment and monitoring of systems of control and accountability, including financial and operational controls and risk assessment, and procedures for handling internal grievances and for managing conflicts of interest in order to ensure the effective and efficient use of resources, the solvency of Trinity Laban and for safeguarding its assets;
- approve annual estimates of income and expenditure and ensure processes are in place to monitor and evaluate the performance and effectiveness of the Conservatoire against the plans and approved key performance indicators, benchmarked against other comparable institutions where possible and appropriate;
- establish processes to monitor and evaluate the performance and effectiveness of the Board itself;
- conduct its business in accordance with best practice in higher education corporate governance and with the principles of public life drawn up by the Committee on Standards in Public Life;
- safeguard the good name and values of the Conservatoire;
- undertake the appointment, grading, suspension, appraisal, assignment, dismissal and determination of the pay and conditions of service of the head of the Conservatoire as chief executive, and other senior post holders as identified by the Board, and to put in place suitable arrangements for monitoring their performance;
- appoint a secretary to the governing body and ensure that, if the person appointed has managerial responsibilities in the Conservatoire, there is an appropriate separation in the lines of accountability;
- set a framework for the pay and conditions of service of all other staff and be responsible for establishing a human resources strategy;
- be the Conservatoire's legal authority and, as such, to ensure that systems are in place for meeting all the Conservatoire's legal obligations, including those arising from contracts and other legal commitments made in the Conservatoire's name;
- make such provision as it thinks fit for the general welfare of students, in consultation with the academic board;
- act as trustee for any property, legacy, endowment, bequest or gift in support of the work and welfare of the Conservatoire; and
- ensure that the Conservatoire's constitution is followed at all times and that appropriate advice is available to enable this to happen.

The Board retains ultimate control over the Conservatoire's affairs and meets at least four times a year to monitor the operations of the Conservatoire. Under the terms and conditions of the OfS, the Board holds to itself the responsibilities for the ongoing strategic direction of the Conservatoire, approval of major developments and receipt from the Conservatoire's executive officers of regular reports on the Conservatoire's day to day operations.

Corporate Governance and Internal Control (continued)

The Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Institution and to ensure that the financial statements are prepared in accordance with the Companies Act 2006, the Statement of Recommended Practice "Accounting for Further and Higher Education" and other relevant accounting standards.

The Board delegates specific authority to committees as determined in the approved Schedule of Delegation. Each committee is chaired by an independent board member. The committees include the Finance and General Purposes, Audit, Nominations, Human Resources and Remuneration committees. There is no separate investment committee but there is an investment review group, which is overseen by the Finance and General Purposes Committee.

The Academic Board is established as required under the Memorandum and Articles of Association. Academic Board is chaired by the Principal and includes staff and student members, with one observer each from the Board of Governors and Trinity College London. The Board is responsible for overseeing the academic health of the Institution.

The Registrar, who acts as Company Secretary and Secretary & Clerk to the Board, provides procedural and regulatory guidance to the Board and access to independent financial and legal advice. A register of Board Members' interests is maintained.

There were no related party transactions involving members of the Board with Trinity Laban during the year ended 31st July 2019.

Internal control

The Board of Trinity Laban is responsible for maintaining a sound system of internal control that supports the achievement of policies, aims and objectives, while safeguarding the public and other funds and assets of the Institution. The system of internal control is designed to manage rather than eliminate the risk of failure to achieve policies, aims and objectives. It can only provide reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an ongoing process designed to identify the principal risks to the achievement of policies, aims and objectives, to evaluate the nature and extent of those risks and to manage them efficiently and economically in accordance with sector guidance and best practice.

Risk management

The following processes have been established as regards risk management:

- a risk management policy and framework have been adopted and is subject to annual review;
- risk management workshops are held periodically for senior personnel to identify the Conservatoire's objectives and risks, and a control strategy is determined for each of the significant risks and opportunities;
- the Conservatoire's Executive group is charged with overseeing the management of risk;
- the Principal's Management Group makes regular reports to the Audit Committee which provides advice to the Board on the effectiveness of the establishment and implementation of risk management; and
- internal auditors' audit planning arrangements, methodology and approach have been tailored in such a way that their audit conforms to the latest professional standards reflecting the adoption of risk management.

The schedule of business provides for risk management and internal control to be considered on a regular basis during the year. Risk management has been incorporated fully into the corporate planning and decision making processes of the Institution.

The Board receives periodic reports from the Audit Committee concerning internal control, and regular reports are received from managers on the steps they are taking to manage risks in their areas of responsibility, including progress reports on key projects.

Key performance indicators

The Board has identified and regularly reviews a set of Key Performance Indicators (KPIs) as recommended by the Committee of University Chairs. The Board KPIs are selected to reflect the most critical factors to the Institution's success, as well as the primary developmental initiatives within the Strategic Plan. KPIs have been mapped to strategic objectives and organisational enablers, and reporting includes performance comparison with an identified benchmark group of conservatoires, where appropriate.

Corporate Governance and Internal Control (continued)

Monitoring and reporting of Key Performance Indicators aims to:

- support an effective and transparent governance process, and efficient communication between Board and management;
- satisfy accountability requirements of external bodies;
- identify successful approaches and drive improvement; and
- enable timely identification of performance issues and risks to the achievement of high-level strategic and operational objectives.

Data quality

The Conservatoire operates with regard to the guidance of OfS and the Audit Commission on the management of data. There is an approved Data Strategy and Data Quality Framework, setting the arrangements for the Conservatoire to maintain accurate, valid, timely and reliable data in order to manage activities effectively and meet internal and external reporting and accountability requirements. The Principal's Management Group is responsible for the implementation of policies and measures to deliver data quality, supported by the Data Governance Group which reports to PMG and the Audit Committee. The Audit Committee oversees the adequacy and effectiveness of the Conservatoire's arrangements for the management and assurance of data submitted to OfS, the Student Loan Company, the Higher Education Statistics Agency and other bodies. The Board of Governors has overall responsibility for the fulfilment of the legal and regulatory obligations of the Institution for data.

Financial control

The Board has taken reasonable steps to:

- ensure that funds from the Office for Students and Research England are used only for the purposes for which they have been given and in accordance with the Memorandum of Assurance and Accountability with the OfS and any other conditions which the OfS may from time to time prescribe;
- ensure that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources;
- safeguard the assets of the Institution and to prevent and detect fraud; and
- secure the economical, efficient and effective management of the Institution's resources and expenditure.

The key elements of the Conservatoire's system of internal control, which is designed to discharge the responsibilities set out above, include the following:

- clear definitions of the responsibilities of, and the authority delegated to, heads of academic and administrative departments;
- a comprehensive medium and short-term planning process, supplemented by detailed annual income, expenditure, capital and cash flow budgets;
- regular reviews of key performance indicators and business risks and of financial results;
- clearly defined and formalised requirements for approval and control of expenditure, with investment decisions involving capital or revenue expenditure being subject to formal detailed appraisal and review according to approval levels set by the Board;
- comprehensive Financial Regulations, detailing financial controls and procedures, approved by the Audit Committee and Finance and General Purposes Committee; and
- a professional Internal Audit service whose annual programme is approved by the Audit Committee.

The Audit Committee, on behalf of the Board, has reviewed the effectiveness of the Conservatoire's system of internal control. Any system of internal control can, however, only provide reasonable, but not absolute, assurance against material misstatement or loss.

OfS assurance audit and registration

The Office for Students has assessed that Trinity Laban meets the governance condition for inclusion on the Register of Higher Education Providers (England) from July 2019. This judgement was based on the self-assessment of governance and management submitted by the Conservatoire as part of its application for registration and associated evidence of sound governance structures and practices.

Corporate Governance and Internal Control (continued)

Public sector Union facility time report

7, (or 6.1 full time equivalent), employees were relevant union officials for the year ended 31st July 2019, all of whom spent between 1.2% and 1.6% of their working hours on facilities time. The total pay bill of these union officials was £242,858 and the cost of their facility time was £3,740, giving a percentage of total pay bill spent on facility time of 1.54%. The Conservatoire's trade union officials spent 10.8% of their time on trade union activities.

Disclosure of information to auditors

The directors have taken all the steps that they ought to have taken as directors in order to inform themselves of any relevant audit information and to establish that the company's auditors are aware of that information. In accordance with section 485 of the Companies Act 2006, BDO LLP were appointed as auditors during the year and have expressed their willingness to continue in that capacity.

Approved by order of the Board of Governors on **28 November 2019** and signed on its behalf by:



Dr Geoffrey Copland CBE
Interim Chair of Governors



Professor Anthony Bowne
Principal

Independent auditor's report to the board of trinity laban conservatoire of music and dance

Opinion

We have audited the financial statements of Trinity Laban Conservatoire of Music and Dance ("the Conservatoire") and its subsidiaries (the 'Group') for the year ended 31 July 2019 which comprise the Consolidated and Conservatoire Statement of Comprehensive Income and Expenditure, the Consolidated and Conservatoire Statement of Changes in Reserves, the Consolidated and Conservatoire Balance Sheets, the Consolidated and Conservatoire Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Conservatoire's affairs as at 31 July 2019 and of the Group's and the Conservatoire's income and expenditure, gains and losses, changes in reserves and of the group's cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Statement of Recommended Practice: Accounting for Further and Higher Education.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) "ISAs (UK)" and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and Conservatoire 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you were:

- the Board of Governors use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Board of Governors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's or the Conservatoire's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the Report of the Governors and Financial Statements other than the financial statements and our auditor's report thereon. The Board or Governors are responsible for the other information. 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.

In connection with our audit of the financial statements, our responsibility is to read the other information including the Strategic Report and the Report of the Governors and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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 (continued)

Opinions on other matters 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 strategic report and the Report of the Governors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the Report of the Governors have been prepared in accordance with applicable legal requirements.

Opinion on other matters required by the Office for Students ("OfS") and Research England

In our opinion, in all material respects:

- Funds from whatever source administered by the higher education institution for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation.
- Funds provided by the OfS and Research England have been applied in accordance with the Terms and Conditions of Funding and any other terms and conditions attached to them.
- The requirements of the Foss's accounts direction have been met.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the Conservatoire and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the Report of the Governors.

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

- adequate accounting records have not been kept, 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 board members' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the Board of Governors

As explained more fully in the Statement of Responsibilities of the Board of Governors set out on page 25, the board 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 Board of Governors 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 Board of Governors are responsible for assessing the Group and the Conservatoire'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 Board of Governors either intend to liquidate the Group or the Conservatoire 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.

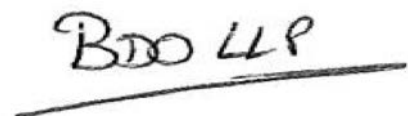
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

In addition, we also report to you whether income from funding bodies, grants and income for specific purposes and from other restricted funds administered by the Conservatoire have been properly applied only for the purposes for which they were received and whether income has been applied in accordance with the Statutes and, where appropriate, with the Terms and Conditions of Funding with the OfS and Research England.

Independent Auditor's Report (continued)

Use of our report

This report is made solely to the 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 Conservatoire's Board of Governors 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 Conservatoire and the Board members as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink that reads "BDO LLP". The signature is written in a cursive, slightly slanted style. Below the signature is a horizontal line that starts under the first 'B' and ends under the last 'P', extending across the width of the signature.

James Aston MBE (Senior Statutory Auditor)

For and on behalf of BDO LLP, Statutory Auditor

Gatwick

United Kingdom

Date: 2 January 2020

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

STATEMENT OF PRINCIPAL ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2014 and in accordance with Financial Reporting Standards (FRS 102). The Conservatoire is a public benefit entity and therefore has applied the relevant public benefit requirement of FRS 102. The financial statements are prepared in accordance with the historical cost convention (modified by the revaluation of fixed assets). Under the Memorandum of Assurance and Accountability with the Higher Education Funding Council for England and the terms and conditions of funding with the Office of Students and Research England, the Board holds to itself the responsibilities for the ongoing strategic direction of the Conservatoire, approval of major developments and receipt from the Conservatoire's executive officers of regular reports on the Conservatoire's day to day operations.

The financial statements are presented in Sterling (£).

Significant estimates and judgements

The following significant estimates and judgements have been made in preparing the financial statements:

Discount rate for the Universities Superannuation Scheme (USS) and Trinity College of Music Pension and Assurance (TCMPA) Scheme and London Pensions Fund Authority (LPFA) defined benefit pension schemes. The USS discount rate was calculated using the Mercer Yield Curve UK - Extended Dataset model and the discount rates for the TCMPA and LPFA schemes were calculated by actuaries on behalf of the Conservatoire. Therefore, management made a judgement in applying these rates.

Company information

Trinity Laban Conservatoire of Music and Dance is a charity and its country of incorporation is England and Wales. Please refer to the Company Information for the address of its registered office.

Going Concern

The directors have assessed that the group and parent charitable company has adequate resources to continue in operational existence for a minimum of 12 months from the date of signing the financial statements. For this reason the financial statements have been prepared on a going concern basis which presumes the realisation of assets and liabilities in the normal course of business.

Basis of consolidation

The consolidated financial statements include the Conservatoire and all its subsidiaries for the financial year to 31 July 2019. Further details of the subsidiary undertakings are disclosed in the Notes to the Accounts.

Subsidiary undertakings

The Conservatoire has a 100% holding in both The Blackheath Halls and BCH Enterprises Limited, companies limited by guarantee.

The Blackheath Halls is a non-profit organisation raising funds to advance education particularly by the encouragement of the arts and BCH Enterprises Limited is a company providing hall hire and associated catering services.

Income recognition

Income from the provision of goods or services is credited to the Consolidated and Conservatoire Statement of Comprehensive Income and Expenditure when the goods or services are supplied to the student or external customers or the terms of the contract have been satisfied.

Fee income is stated gross of any expenditure and credited to the Consolidated and Conservatoire Statement of Income and Expenditure over the period in which students are studying. Bursaries and scholarships are accounted for gross as expenditure and not deducted from income.

Statement of Accounting Principles (continued)

Investment income is credited to the statement of income and expenditure on a receivable basis.

Funds the Conservatoire receives and disburses as paying agent on behalf of a funding body are excluded from the Consolidated and Conservatoire Statement of Income and Expenditure where the Conservatoire is exposed to minimal risk or enjoys minimal economic benefit related to the transaction.

Grant funding

Government revenue grants, including funding council block grant and research grants, are recognised as income over the periods in which the Conservatoire recognises the related costs for which the grant is intended to compensate. Where part of a government grant is deferred it is recognised as deferred income within creditors and allocated between creditors due within one year and due after more than one year as appropriate.

Grants (including research grants) from non-government sources are recognised as income when the Conservatoire is entitled to the income and performance related conditions have been met. Income received in advance of performance related conditions being met is recognised as deferred income within creditors on the balance sheet and released to income as the conditions are met.

Donations and endowments

Non cash exchange transactions without performance related conditions are donations and endowments. Donations and endowments with donor imposed restrictions are recognised as income when the Conservatoire is entitled to the funds. Income is retained within the restricted reserves until such time that it is utilised in line with such restrictions at which point the income is released to general reserves through a reserves transfer.

Investment income and appreciation of endowments is recorded as income within the year in which it arises and as either restricted or unrestricted income according to the terms applied to the individual endowment fund.

There are four main types of donations and endowments identified within reserves:

1. Restricted donations – the donor has specified that the donation must be used for a particular objective.
2. Unrestricted permanent endowments – the donor has specified that the fund is to be permanently invested to generate an income stream for the general benefit of the Conservatoire.
3. Restricted expendable endowments – the donor has specified a particular objective other than the purchase or construction of tangible fixed assets, and the Conservatoire has the power to use the capital.
4. Restricted permanent endowments – the donor has specified that the fund is to be permanently invested to generate an income stream to be applied to a particular objective.

Capital grants

Government capital grants are recognised as income over the expected useful life of the asset. Other capital grants are recognised as income when the Conservatoire is entitled to the funds subject to any performance related conditions being met.

Accounting for retirement benefits

The Institution participates in four defined benefit schemes: the Teachers' Pension Scheme (TPS), the Universities Superannuation Scheme (USS), the London Pension Fund Authority (LPFA) – which was closed to new membership from 1 August 2005 – and its own scheme for non-academic staff, which is the Trinity College of Music Pension and Assurance Scheme (TCMPA), which became a closed scheme with effect from 31 December 2001. These schemes are externally funded and contracted out of the state earnings related pension scheme and cover most employees. A small number of employees are members of individual defined contribution pension schemes. The assets of the schemes are invested and managed independently of the finances of the Institution. The contributions are determined by qualified actuaries on the basis of quinquennial (TPS) and triennial valuations (USS, LPFA and TCMPA) using, respectively, the prospective benefits method and the projected unit method.

Statement of Accounting Principles (continued)

The USS and TPS are multi-employer schemes for which it is not possible to identify the assets and liabilities relating to Conservatoire members due to the mutual nature of the scheme and therefore this scheme is accounted for as a defined contribution retirement benefit scheme. A liability is recorded within provisions for any contractual commitment to fund past deficits within the USS scheme.

Defined Contribution Plan

A defined contribution plan is a post-employment benefit plan under which the Conservatoire pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the Consolidated Statement of Income and Expenditure over a member of staff's contract of employment.

Defined Benefit Plan

Defined benefit plans are post-employment benefit plans other than defined contribution plans. Under defined benefit plans, the Conservatoire's obligation is to provide the agreed benefits to current and former employees, and actuarial risks (that benefits will cost more or less than expected) and investment risks (that returns on assets set aside to fund the benefits will differ from expectations) are borne, in substance, by the Conservatoire. The Group should recognise a liability for its obligations under defined benefit plans net of plan assets. This net defined benefit liability is measured as the estimated amount of benefit that employees have earned in return for their service in the current and prior periods, discounted to determine its present value, less the fair value (at bid price) of plan assets. The calculation is performed by a qualified actuary using the projected unit credit method. Where the calculation results in a net asset, recognition of the asset is limited to the extent to which the Conservatoire is able to recover the surplus either through reduced contributions in the future or through refunds from the plan.

A feature of defined benefit pension plans is that the employer has offered a guarantee as to the amount or level of pension or benefit ultimately payable and is therefore liable to make additional contributions to provide that guaranteed level of benefit. Under defined benefit plans, a charity's (and/or its subsidiary's) obligation is to provide the agreed benefits to current and former employees. Actuarial risk and investment risk are effectively borne by the employer.

Employment benefits

Short term employment benefits such as salaries and compensated absences are recognised as an expense in the year in which the employees render service to the Conservatoire. Any unused benefits are accrued and measured as the additional amount the Conservatoire expects to pay as a result of the unused entitlement.

Finance leases

Leases in which the Conservatoire assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. Leased assets acquired by way of finance lease and the corresponding lease liabilities are initially recognised at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease.

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Operating leases

Costs in respect of operating leases are charged on a straight-line basis over the lease term. Any lease premiums or incentives are spread over the minimum lease term.

Fixed assets

Fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. The straight line method is used to depreciate fixed assets. Land, that had been revalued to fair value on or prior to the date of transition to the 2014 FE&HE SORP, is measured on the basis of deemed cost, being the revalued amount at the date of that revaluation.

Statement of Accounting Principles (continued)

Where parts of a fixed asset have different useful lives, they are accounted for as separate items of fixed assets.

Land and buildings

Land and buildings are stated at cost less accumulated depreciation. Depreciation is provided at rates estimated to write off the costs by equal annual instalments over their anticipated useful economic lives, as follows:

50 years	Freehold buildings
Freehold land	Not depreciated
Alterations and building improvements (up to 10 years)	10 years
Alterations and building improvements (up to 20 years)	20 years
Leasehold land and buildings equal	Amortised over the remaining term of the lease by instalments
Long term leasehold improvements	Amortised over the lesser of the remaining term of the lease or 50 years

Where land and buildings are acquired with the aid of specific grants they are capitalised and depreciated as above. The related grants are credited to a deferred capital grants account and are released to the income and expenditure account over the expected useful economic life of the related asset on a basis consistent with the depreciation policy.

Buildings under construction are accounted for at cost, based on the value of architects' certificates and other direct costs incurred to 31 July in any year. They are not depreciated until they are brought into use.

Equipment and other fixed assets

Equipment and other fixed assets costing less than £2,000 are written off to the income and expenditure account in the year of acquisition. All other equipment is capitalised at cost. Capitalised equipment is depreciated over its useful economic life as follows:

Equipment and other fixed assets	5 years
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Musical equipment

Musical instruments costing less than £2,000 are written off to the income and expenditure account in the year of acquisition. All other musical instruments are capitalised at cost.

Donated musical instruments with a value of £2,000 and above have been incorporated at valuation following an assessment by Webb Valuations, an external professional valuation expert, in conjunction with Malcolm Tyson, an expert valuer of stringed instruments, in April 2014. There has been no diminution in the value of these instruments since the valuation.

Capitalised musical instruments are depreciated over their useful economic life as follows:

Antique stringed instruments	Not depreciated
Other stringed instruments	20 years
Pianos	10–20 years
Other musical instruments	5–15 years

Depreciation is not provided on antique stringed instruments since the estimated remaining useful economic life of the tangible fixed assets exceeds 50 years and any depreciation charge would be deemed immaterial. The carrying value of these assets is subject to an annual impairment review.

Depreciation methods, useful lives and residual values are reviewed at the date of preparation of each Balance Sheet.

Statement of Accounting Principles (continued)

Borrowing costs

Borrowing costs which are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised.

Investments

Non-current asset investments are held on the Balance Sheet at market value at year end. Current asset investments are held at fair value with movements recognised in the Consolidated and Conservatoire Statement of Comprehensive Income and Expenditure

Stock

Stock is held at the lower of cost and net realisable value, and is measured using an average cost formula.

Cash and cash equivalents

Cash includes cash in hand, deposits repayable on demand and overdrafts. Deposits are repayable on demand if they are in practice available within 3 months without penalty. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value.

Provisions, contingent liabilities and contingent assets

Provisions are recognised in the financial statements when:

- (a) the Conservatoire has a present obligation (legal or constructive) as a result of a past event;
- (b) it is probable that an outflow of economic benefits will be required to settle the obligation; and
- (c) a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

A contingent liability arises from a past event that gives the Conservatoire a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Conservatoire. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably.

A contingent asset arises where an event has taken place that gives the Conservatoire a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Conservatoire. Contingent assets and liabilities are not recognised in the Balance Sheet but are disclosed in the notes.

Taxation

The Conservatoire is an exempt charity within the meaning of Schedule 2 of the Charities Act 2011 and as such is a charity within the meaning of the corporation tax act 2010 (Part 11, Chapter 3 section 478). Accordingly, the Conservatoire is potentially exempt from taxation in respect of income or capital gains received within section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied to exclusively charitable purposes. No provision for corporation tax or income tax (deferred or otherwise) is therefore considered necessary. The Conservatoire receives no similar exemption in respect of Value Added Tax ("VAT"). As a result, the major part of VAT paid by the Conservatoire is irrecoverable, since the provision of education is an 'exempt' activity for VAT purposes. The subsidiaries of the Conservatoire are potentially liable to both corporation tax and VAT.

Reserves

Reserves are classified as restricted or unrestricted. Restricted endowment reserves include balances which, through endowment to the Conservatoire, are held as a permanently restricted fund which the Conservatoire must hold in perpetuity. Other restricted reserves include balances where the donor has designated a specific purpose and therefore the Conservatoire is restricted in the use of these funds.

Statement of Accounting Principles (continued)

Financial Instruments Policy

Financial Instruments are initially measured at transaction price and subsequently held at cost, less impairment. Financial liabilities are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instruments legal form. Financial Liabilities are initially measured at transaction price (including transaction costs) and subsequently held at amortised cost.

CONSOLIDATED AND CONSERVATOIRE STATEMENT OF COMPREHENSIVE INCOME AND EXPENDITURE
for the year ended 31 July 2019

	Notes	Group 2019 £'000	Trinity Laban 2019 £'000	Group 2018 £'000	Restated Trinity Laban 2018 £'000
Income					
Tuition fees and education contracts	1	13,643	13,643	12,485	12,485
Funding body grants	2	6,095	6,095	6,233	6,233
Research grants and contracts	3	-	-	16	16
Other income	4	4,797	4,335	3,897	3,562
Investment income	5	245	245	178	178
Donations and endowments	6	3,371	2,421	4,873	3,868
Total income		28,151	26,739	27,682	26,342
Expenditure					
Staff costs	7	19,082	18,677	14,480	14,123
Other operating expenses	9	10,032	9,731	9,064	8,874
Depreciation	10	1,464	1,312	1,344	1,305
Interest and other finance costs	8	154	148	179	175
Total expenditure		30,732	29,868	25,067	24,477
(Deficit)/Surplus before other gains and losses		(2,581)	(3,129)	2,615	1,865
Loss on disposal of fixed assets		(99)	(99)	(75)	(75)
Gain on investments		268	268	266	266
(Deficit)/Surplus before tax		(2,412)	(2,960)	2,806	2,056
Taxation		-	-	-	-
(Deficit)/Surplus for the year		(2,412)	(2,960)	2,806	2,056
Unrealised surplus on revaluation of tangible assets		380	380	-	-
Actuarial (Loss)/Gain in respect of pension schemes		(845)	(845)	1,094	1,094
Total comprehensive (expenditure)/income for the year		(2,877)	(3,425)	3,900	3,150
Represented by:					
Endowment comprehensive income for the year		234	234	8	8
Restricted comprehensive (loss)/income for the year		(5,395)	(5,395)	1,036	1,810
Unrestricted comprehensive income for the year		1,912	1,356	2,864	1,332
Revaluation reserve comprehensive income/(loss) for the year		372	380	(8)	-
		(2,877)	(3,425)	3,900	3,150

All items of income and expenditure relate to continuing activities.

The prior year Trinity Laban financial statements have been restated to reflect a deferred capital grant adjustment of £1,545,707 as shown in note 28

The notes on pages 44 to 61 form part of the financial statements.

**CONSOLIDATED AND CONSERVATOIRE STATEMENT OF CHANGES IN RESERVES
for the year ended 31 July 2019**

Group	Income and expenditure account			Revaluation reserve £'000	Total £'000
	Endowment £'000	Restricted £'000	Unrestricted £'000		
Balance at 1 August 2017	6,773	7,582	3,384	6,345	24,084
Surplus/(deficit) from the income and expenditure statement	281	2,972	(447)	-	2,806
Other comprehensive income	-	-	1,094	-	1,094
Transfers between revaluation and income and expenditure reserve	-	(1,038)	1,046	(8)	-
Release of restricted funds spent in year	(273)	(898)	1,171	-	-
Total comprehensive income/(expenditure) for the year	<u>8</u>	<u>1,036</u>	<u>2,864</u>	<u>(8)</u>	<u>3,900</u>
Balance at 1 August 2018	6,781	8,618	6,248	6,337	27,984
Surplus/(deficit) from the income and expenditure statement	480	1,416	(4,308)	-	(2,412)
Other comprehensive expenditure	-	-	(845)	-	(845)
Transfers between revaluation and income and expenditure reserve	-	-	(372)	372	-
Unrealised surplus on revaluation of tangible assets	-	-	380	-	380
Release of restricted funds spent in year	(246)	(6,811)	7,057	-	-
Total comprehensive income/(expenditure) for the year	<u>234</u>	<u>(5,395)</u>	<u>1,912</u>	<u>372</u>	<u>(2,877)</u>
Balance at 31 July 2019	<u>7,015</u>	<u>3,223</u>	<u>8,160</u>	<u>6,709</u>	<u>25,107</u>
Trinity Laban					
	Endowment	Restricted	Unrestricted	Revaluation	Total
	£'000	£'000	£'000	reserve £'000	£'000
Balance at 1 August 2017	6,773	6,808	3,443	4,968	21,992
Surplus/(deficit) from the income and expenditure statement	281	2,972	(1,197)	-	2,056
Other comprehensive income	-	-	1,094	-	1,094
Release of restricted funds spent in year	(273)	(1,162)	1,435	-	-
Total comprehensive income/(expenditure) for the year	<u>8</u>	<u>1,810</u>	<u>1,332</u>	<u>-</u>	<u>3,150</u>
Balance at 1 August 2018	6,781	8,618	4,775	4,968	25,142
Surplus/(deficit) from the income and expenditure statement	480	1,416	(5,236)	380	(2,960)
Other comprehensive expenditure	-	-	(845)	-	(845)
Unrealised surplus on revaluation of tangible assets	-	-	380	-	380
Release of restricted funds spent in year	(246)	(6,811)	7,057	-	-
Total comprehensive income/(expenditure) for the year	<u>234</u>	<u>(5,395)</u>	<u>1,356</u>	<u>380</u>	<u>(3,425)</u>
Balance at 31 July 2019	<u>7,015</u>	<u>3,223</u>	<u>6,131</u>	<u>5,348</u>	<u>21,717</u>

The prior year Trinity Laban financial statements have been restated to reflect a deferred capital grant adjustment of £1,545,707 as shown in note 28.

The notes on pages 44 to 61 form part of the financial statements.

		Group 2019 £'000	Trinity Laban 2019 £'000	Group 2018 £'000	Restated Trinity Laban 2018 £'000
Company Registration no: 00051090	Notes				
Non current assets					
Fixed assets	10	40,683	35,126	39,644	35,197
Investments	11	8,038	8,038	7,310	7,310
		<u>48,721</u>	<u>43,164</u>	<u>46,954</u>	<u>42,507</u>
Current assets					
Stock	12	7	1	7	2
Trade and other receivables	13	454	1,073	644	978
Cash and cash equivalents	21	3,617	3,496	4,403	3,983
		<u>4,078</u>	<u>4,570</u>	<u>5,054</u>	<u>4,963</u>
Less: Creditors: amounts falling due within one year	15	(5,029)	(4,838)	(5,072)	(4,436)
Net current assets (liabilities)		(951)	(268)	(18)	527
Long Term intercompany Debtor	14	-	1,032	-	560
Total assets less current liabilities		<u>47,770</u>	<u>43,928</u>	<u>46,936</u>	<u>43,594</u>
Creditors: amounts falling due after more than one year	17	(15,519)	(15,067)	(16,133)	(15,633)
Provisions					
Pension provisions	18	(7,144)	(7,144)	(2,819)	(2,819)
Total net assets		<u><u>25,107</u></u>	<u><u>21,717</u></u>	<u><u>27,984</u></u>	<u><u>25,142</u></u>
Restricted reserves					
Endowments					
Income and expenditure reserve - endowment reserve	19	7,015	7,015	6,781	6,781
Income and expenditure reserve - restricted reserve	20	3,223	3,223	8,618	8,618
Unrestricted reserves					
Income and expenditure reserve - unrestricted		8,160	6,131	6,248	4,775
Revaluation reserve		6,709	5,348	6,337	4,968
Total reserves		<u><u>25,107</u></u>	<u><u>21,717</u></u>	<u><u>27,984</u></u>	<u><u>25,142</u></u>

The prior year Trinity Laban financial statements have been restated to reflect a deferred capital grant adjustment of £1,545,707 as shown in note 28.

The financial statements were approved by the Board on 28 November 2019 and signed and authorised for issue on its behalf by:



Dr Geoffrey Copland CBE
Interim Chair of Governors



Professor Anthony Bowne
Principal

The notes on pages 44 to 61 form part of the financial statements.

**TRINITY LABAN CONSERVATOIRE
OF MUSIC AND DANCE**

CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 31 July 2019

	Notes	2019 £'000	2018 £'000
Cash flow from operating activities			
Surplus/(deficit) for the year		(2,412)	2,806
Adjustment for non-cash items			
Depreciation	10	1,464	1,344
Gain on investments	11	(268)	(266)
Decrease in year end stocks	12	-	2
Decrease in debtors	13	190	482
(Decrease)/ increase in creditors	15	(66)	709
(Decrease)/ increase in pension provision	18	3,480	(317)
Adjustment for investing or financing activities			
Investment income	5	(245)	(178)
Interest payable	8	154	179
Endowment income	19	(121)	(73)
Loss on the sale of fixed assets		99	75
Impairment of fixed assets		125	75
Capital grant income	2, 4	(613)	(575)
Net cash from operating activities		<u>1,787</u>	<u>4,263</u>
Cash flows from investing activities			
Capital grants receipts		147	612
Disposal of non-current asset investments	11	327	389
Endowments Write Off		-	58
Investment income	5	245	178
Payments made to acquire fixed assets	10	(2,347)	(1,770)
New non-current asset investments	11	(787)	(2,264)
		<u>(2,415)</u>	<u>(2,797)</u>
Cash flows from financing activities			
Interest paid	8	(154)	(179)
Endowment cash received	19	121	73
Repayments of amounts borrowed	15	(125)	(58)
		<u>(158)</u>	<u>(164)</u>
Increase in cash and cash equivalents in the year		<u>(786)</u>	<u>1,302</u>
Cash and cash equivalents at beginning of the year	21	4,403	3,101
Cash and cash equivalents at end of the year	21	3,617	4,403

The notes on pages 44 to 61 form part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1 TUITION FEES AND EDUCATION CONTRACTS

	Group 2019 £'000	Trinity Laban 2019 £'000	Group 2018 £'000	Trinity Laban 2018 £'000
Higher education				
Full time undergraduate home/EU fees	7,207	7,207	6,505	6,505
Full time postgraduate home/EU fees	1,487	1,487	1,399	1,399
Part time home/EU fees	356	356	322	322
Overseas fees	1,881	1,881	1,548	1,548
Research fees	56	56	81	81
Other fees and support grants	2,656	2,656	2,630	2,630
Total tuition fees and education contracts	13,643	13,643	12,485	12,485

2 FUNDING BODY GRANTS

	Group 2019 £'000	Trinity Laban 2019 £'000	Group 2018 £'000	Trinity Laban 2018 £'000
Recurrent grants				
Teaching grant	5,060	5,060	5,246	5,246
Specific grants				
HEIF grant	508	508	353	353
Research grant	242	242	256	256
Disability grant	62	62	68	68
Other revenue grants	-	-	104	104
Capital grant	223	223	206	206
Total funding body contracts	6,095	6,095	6,233	6,233

3 RESEARCH GRANTS AND CONTRACTS

	Group 2019 £'000	Trinity Laban 2019 £'000	Group 2018 £'000	Trinity Laban 2018 £'000
UK based charities	-	-	16	16
Total research grants and contracts	-	-	16	16

4 OTHER INCOME

	Group 2019 £'000	Trinity Laban 2019 £'000	Group 2018 £'000	Trinity Laban 2018 £'000
Other services rendered	487	373	435	329
Residence and catering operations	2,674	2,593	2,000	1,942
Other revenue grants	553	538	527	512
Other capital grants	390	369	369	369
Other income	693	462	566	410
Total other income	4,797	4,335	3,897	3,562

5 INVESTMENT INCOME

	Group 2019 £'000	Trinity Laban 2019 £'000	Group 2018 £'000	Trinity Laban 2018 £'000
Investment income on endowments	220	220	163	163
Other investment income	25	25	15	15
Total investment income	245	245	178	178

Notes

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6 DONATIONS AND ENDOWMENTS

	Group 2019 £'000	Trinity Laban 2019 £'000	Group 2018 £'000	Trinity Laban 2018 £'000
New endowments	121	121	73	73
Donations with restrictions	2,357	1,416	3,857	2,892
Unrestricted donations	893	884	943	903
Total donations and endowments	3,371	2,421	4,873	3,868

7 STAFF COSTS

	Group 2019 £'000	Trinity Laban 2019 £'000	Group 2018 £'000	Trinity Laban 2018 £'000
Wages, salaries and fees	12,631	12,267	11,999	11,664
Social security costs	1,031	1,010	1,007	994
Movement on USS provision	3,429	3,429	(240)	(240)
Other pension costs	1,991	1,971	1,714	1,705
	19,082	18,677	14,480	14,123

Of the staff costs £404,968 (2018: £356,215) related to The Blackheath Halls.

Remuneration of higher paid staff

The emoluments of the highest paid director (the Principal) was:

	Group 2019 £'000	Trinity Laban 2019 £'000	Group 2018 £'000	Trinity Laban 2018 £'000
Basic salary	184	184	178	178
Payment in Lieu of Pensions	30	30	29	29
	214	214	207	207

There were no other members of staff in receipt of annual remuneration exceeding £100,000.

The remuneration package of the Principal (CEO) is considered and then determined on an annual basis by the Remuneration Committee (a committee of the Board of Governors of Trinity Laban Conservatoire of Music and Dance). In determining remuneration, the Committee takes into account the performance of the Principal in meeting the objectives set by the Board for the previous academic year; success against strategic objectives; and the financial performance of the institution. Due regard is also given to median salary levels within the Conservatoire. The appropriateness of the remuneration package is tested via benchmarking remuneration package levels against similar institutions within Central London and the sector. Trinity Laban Conservatoire of Music and Dance recognises that the skills of its Principal (CEO) not only influence artistic and educational success but are also intrinsically linked to successful business development and the financial success and sustainability of the institution.

There was no accommodation provided for the Principal.

Basic salary ratio: Head of provider basic salary/Median basic salary of whole workforce.

Group 2019		Group 2018	
£183,530/£37,131	= 4.94	£177,530/£37,587	= 4.72

Total remuneration ratio: Head of provider total remuneration/Median total remuneration of the whole workforce.

Group 2019		Group 2018	
£213,776/£39,609	= 5.40	£206,787/£38,833	= 5.33

7 STAFF COSTS (continued)

Staffing number (FTEs)	Group 2019	Trinity Laban 2019	Group 2018	Trinity Laban 2018
Academic	72	72	74	74
Academic support	75	75	75	75
Administrative	71	71	69	69
Blackheath Halls	13	-	13	-
Casual Staff	96	96	87	87
	327	314	318	305

Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Conservatoire and Group. Staff costs includes compensation paid to key management personnel. Key management personnel for the Conservatoire are the members of the Principal's Management Group and for the Group this includes the General Manager of Blackheath Halls. Compensation consists of salary and benefits excluding any employer's pension contribution.

	Group 2019	Trinity Laban 2019	Group 2018	Trinity Laban 2018
	£'000	£'000	£'000	£'000
Key management personnel compensation	792	729	733	676

The amount for the key management personnel quoted above relates to the following key personnel:

Principal	Registrar
Director of Finance and Estates	Director of Operations and Business Enterprise
Director of Dance	Director of Blackheath Halls
Director of Music	Director of Corporate Affairs

Board Members

One board member received payments of £2,200 to cover travel expenses during the year ended 31 July 2019 and other than under a contract of employment no other board member received any payments.(2018: none).

8 INTEREST AND OTHER FINANCE COSTS

	Group 2019	Trinity Laban 2019	Group 2018	Trinity Laban 2018
	£'000	£'000	£'000	£'000
Interest payable	12	12	23	23
Bank and credit card charges	78	72	64	60
Net charge on pension scheme	64	64	92	92
	154	148	179	175

9 OTHER OPERATING EXPENSES

	Group 2019	Trinity Laban 2019	Group 2018	Trinity Laban 2018
	£'000	£'000	£'000	£'000
Academic and related expenditure	1,225	1,093	1,033	962
Academic support services	461	454	391	388
Other support services	335	335	335	335
Administration and central services	970	945	1,043	1,010
Auditor's remuneration:				
External audit	73	63	60	49
Tax compliance services	5	-	3	-
Other non-audit services	-	-	9	9
Internal audit	28	28	28	28
General education	449	298	497	351
Scholarships, bursaries and prizes	1,828	1,828	1,611	1,611
Premises (including service concession cost)	1,917	1,782	1,712	1,606
Student accommodation costs	2,218	2,218	1,537	1,537
Other expenses	523	687	805	988
	10,032	9,731	9,064	8,874

9 OTHER OPERATING EXPENSES (Continued)

	Group 2019 £'000	Trinity Laban 2019 £'000	Group 2018 £'000	Trinity Laban 2018 £'000
Land and buildings	226	226	226	226
Other	75	75	85	85

10 FIXED ASSETS

Group	Freehold land and buildings £'000	Leasehold Land and Buildings £'000	Assets in the course construction £'000	Fixtures, Fittings and Equipment £'000	Musical instruments £'000	Total £'000
Cost						
At 1 August 2018	38,368	13,509	1,268	9,542	6,345	69,032
Additions	-	1,316	102	387	542	2,347
Transfers	18	1,315	(1,333)	-	-	-
Disposals	-	-	-	-	(152)	(152)
Revalued Assets	-	-	-	-	380	380
Impaired Assets	-	-	-	-	(125)	(125)
At 31 July 2019	38,386	16,140	37	9,929	6,990	71,482
Depreciation						
At 1 August 2018	13,726	5,127	-	8,715	1,820	29,388
Charge for year	499	369	-	275	321	1,464
Disposals	-	-	-	-	(53)	(53)
At 31 July 2019	14,225	5,496	-	8,990	2,088	30,799
Net book value						
At 31 July 2019	24,161	10,644	37	939	4,902	40,683
At 1 August 2018	24,642	8,382	1,268	827	4,525	39,644
Trinity Laban						
Cost						
At 1 August 2018	35,656	13,039	140	9,212	6,330	64,377
Additions	-	88	77	378	542	1,085
Disposals	-	-	-	-	(152)	(152)
Revalued Assets	-	-	-	-	380	380
Impaired Assets	-	-	-	-	(125)	(125)
At 31 July 2019	35,656	13,127	217	9,590	6,975	65,565
Depreciation						
At 1 August 2018	13,682	5,074	-	8,619	1,805	29,180
Charge for year	492	238	-	262	320	1,312
Disposals	-	-	-	-	(53)	(53)
At 31 July 2019	14,174	5,312	-	8,881	2,072	30,439
Net book value						
At 31 July 2019	21,482	7,815	217	709	4,903	35,126
At 1 August 2018	21,974	7,965	140	593	4,525	35,197

At 31 July 2019, freehold land and buildings included £5,540,000 (2018: £5,540,000) in respect of freehold land and is not depreciated.

10 FIXED ASSETS (Continued)

Endowment assets

Included within freehold land and buildings is £37,333 of endowment properties valued at fair value.

Revaluation of Laban land and Blackheath Halls land and buildings

The Conservatoire took advantage of the option available to first-time adopters of FRS 102 in respect of its building and land assets, which were previously held at cost. The option allows first-time adopters of FRS102 to revalue certain assets to fair value at the date of transition (in this case 1 August 2014) and use this figure as their deemed cost.

Valuation of Laban land

The freehold property comprising Laban Building (land only) was valued as at 31 July 2015 by an external valuer, Gerald Eve LLP, a regulated firm of Chartered Surveyors. The valuations were prepared in accordance with the requirements of the RICS Valuation – Professional Standards: January 2014 (updated December 2014), the International Valuation Standards and International Financial Reporting Standards. The valuation of this property was on the basis of Fair Value, equated to Market Value, on the assumption of vacant possession. It was principally derived using the Comparative Method of Valuation. Based on the facts, assumptions and qualifications set out in their report, Gerald Eve LLP are of the opinion that the Fair Value of the freehold interest in the "Property" (Laban land) as at 31 July 2015, was the sum of £5,540,000.

Valuation of Blackheath Halls land and buildings

The freehold property comprising Blackheath Halls was valued as at 31 July 2015 by an external valuer, Gerald Eve LLP, a regulated firm of Chartered Surveyors. The valuations were prepared in accordance with the requirements of the RICS Valuation – Professional Standards: January 2014 (updated December 2014), the International Valuation Standards and International Financial Reporting Standards. The valuation of this property was on the basis of Fair Value, equated to Market Value, on the assumption of vacant possession. It was principally derived using the Comparative Method of Valuation. Based on the facts, assumptions and qualifications set out in their report, Gerald Eve LLP are of the opinion that the Fair Value of the freehold interest in the "Property" (Blackheath Halls land and buildings) as at 31 July 2015, was the sum of £2,650,000.

The value of the Blackheath Halls land and buildings at the transition date was estimated to be £2,631,606 based on the valuation at 31 July 2015 and the capital additions and depreciation during the year ended 31 July 2015. The historic cost of the land and buildings as at 31 July 2014 was £1,230,294 and so the revaluation gain was £1,401,312.

11 NON-CURRENT INVESTMENTS

Group	Fixed asset	Fixed asset
	investments	investments
	2019	2018
	£'000	£'000
At 1 August 2018	7,310	5,227
Additions	787	2,264
Disposals	(327)	(389)
Endowments Write Off	-	(58)
Increase in market value of investments	268	266
At 31 July 2019	8,038	7,310
Trinity Laban	Fixed asset	Fixed asset
	investments	investments
	2019	2018
	£'000	£'000
At 1 August 2018	7,310	5,227
Additions	787	2,264
Disposals	(327)	(389)
Endowments write off	-	(58)
Increase in market value of investments	268	266
At 31 July 2019	8,038	7,310

The non-current investments have been valued at market value and are all listed investments.

12 STOCK

	Group	Trinity Laban	Group	Trinity Laban
	2019	2019	2018	2018
	£'000	£'000	£'000	£'000
General consumables	7	1	7	2
	7	1	7	2

13 TRADE AND OTHER RECEIVABLES: falling due in one year

	Group 2019 £'000	Trinity Laban 2019 £'000	Group 2018 £'000	Trinity Laban 2018 £'000
Trade receivables	57	56	293	64
Other receivables	75	79	79	80
Prepayments and accrued income	322	315	272	248
Amounts due from subsidiary companies	-	623	-	586
	454	1,073	644	978

14 TRADE AND OTHER RECEIVABLES: falling due in more than one year

Long term intercompany loan	Group 2019 £'000	Trinity Laban 2019 £'000	Group 2018 £'000	Trinity Laban 2018 £'000
Long term interest free intercompany loan	-	560	-	560
Long term intercompany loan	-	472	-	-
	-	1,032	-	560

This is a long term interest free intercompany loan extended to Blackheath Halls. The long term intercompany loan was for the refurbishment of the Great hall in Blackheath Halls. Interest on the long term intercompany loan is accrued at the rate of 2.2% per annum.

15 CREDITORS: amounts falling due within one year

	Group 2019 £'000	Trinity Laban 2019 £'000	Group 2018 £'000	Trinity Laban 2018 £'000
Unsecured loans	125	125	125	125
Trade payables	1,096	1,064	740	416
Taxation and social security	288	282	433	428
Other creditors	111	111	164	164
Accruals	1,078	971	1,725	1,427
Deferred Income	2,331	2,285	1,885	1,876
	5,029	4,838	5,072	4,436

Deferred income

The breakdown for deferred income are as follows with the income deferred until specific performance related conditions have been met.

	Group 2019 £'000	Trinity Laban 2019 £'000	Group 2018 £'000	Trinity Laban 2018 £'000
Donations	1,549	1,550	1,000	1,000
Grant income	615	588	591	591
Other income	166	147	294	285
	2,330	2,285	1,885	1,876

16 CREDITORS: amounts falling due after more than one year

	Group 2019 £'000	Trinity Laban 2019 £'000	Group 2018 £'000	Trinity Laban 2018 £'000
Deferred income	14,863	14,411	15,352	14,852
Unsecured loans	656	656	781	781
	15,519	15,067	16,133	15,633

17 CREDITORS: amounts falling due after more than one year

Analysis of secured and unsecured loans:

	Group 2019 £'000	Trinity Laban 2019 £'000	Group 2018 £'000	Trinity Laban 2018 £'000
Due within one year or on demand (Note 15)				
Due between one and two years	125	125	125	125
Due between two and five years	375	375	375	375
Due in five years or more	156	156	281	281
Due after more than one year	656	656	781	781
Total unsecured loans	781	781	906	906

Analysis of secured and unsecured loans:

	Group 2019 £'000	Trinity Laban 2019 £'000	Group 2018 £'000	Trinity Laban 2018 £'000
Unsecured loans repayable by 2026	656	656	781	781
Included in loans are the following:				
Lender	Amount (£000)	Term	Interest rate	Borrower
Lloyds	781	2,026	1.85%	Trinity Laban

18 PROVISIONS FOR LIABILITIES

Group

	Obligation to fund deficit on USS pension £'000	Defined benefit obligations £'000	Total pensions provision £'000
At 1 August 2018	1,680	1,139	2,819
Additions	3,466	859	4,325
At 31 July 2019	5,146	1,998	7,144

Trinity Laban

	Obligation to fund deficit on USS pension £'000	Defined benefit obligations £'000	Total pensions provision £'000
At 1 August 2018	1,680	1,139	2,819
Additions	3,466	859	4,325
At 31 July 2019	5,146	1,998	7,144

Unwinding of discount is included in additional provisions in line with FRS 102. Please refer to note 27 for more details and the actuarial assumptions for all of the pension schemes.

USS deficit

The obligation to fund the past deficit on the Universities Superannuation Scheme (USS) arises from the contractual obligation with the pension scheme for total payments relating to benefits arising from past performance. Management have assessed future employees within the USS scheme and salary payment over the period of the contracted obligation in assessing the value of this provision. assessing the value of this provision. Please refer to note 27 for more details.

Since the year end, following the completion of the 2018 actuarial valuation, a new deficit recovery plan has been agreed of which more detail is given in note 27. As at 31 July 2019 and with all other assumptions used to calculate the provision unchanged, this would have resulted in a revised provision of £2,739,212, a decrease of £2,406,698 from the current year end provision of £5,145,910.

19 ENDOWMENTS

Group	Restricted Expendable 2018-19 £'000	Restricted Permanent 2018-19 £'000	Total 2018-19 £'000	Total 2017-18 £'000
At 1 August 2018 (or date of resolution)				
Original cost	759	3,483	4,242	4,383
Indexation of capital	-	791	791	1,101
Unapplied total return	-	1,748	1,748	1,289
Total	759	6,022	6,781	6,773
Movements in the reporting period:				
New endowments	42	79	121	73
Impairment of assets	-	-	-	(137)
Investment income	7	155	162	131
Other Income	-	3	3	2
Expenditure	(53)	(193)	(246)	(273)
Decrease/Increase in market value of investments	-	194	194	212
Total endowment comprehensive income for the year	(4)	238	234	8
At 31st July 2019	755	6,260	7,015	6,781
Represented by:				
Original cost	755	3,562	4,317	4,242
Indexation of capital	-	1,089	1,089	791
Unapplied total return	-	1,609	1,609	1,748
Total	755	6,260	7,015	6,781

The Conservatoire has adopted a total returns policy for the investment of its permanent endowments and has decided that it is the best interest of the Conservatoire to account for its expendable endowment capital in the same way, though there is no legal restriction on the power to spend such capital. The opening balances have been restated to this effect.

Analysis by type of purpose:				
Scholarships and bursaries	624	5,548	6,172	6,043
Prize funds	105	581	686	582
General	26	131	157	156
	755	6,260	7,015	6,781

Analysis by asset:				
Global equities			7,653	6,954
UK government bonds			355	326
Investec endowment trust-Dep A/C (cash balances held at Investec)			149	506
Other permanent and expendable investments			953	932
Property			37	37
Cash & cash equivalents			240	328
Assets apportioned to restricted reserves			(2,372)	(2,302)
Total endowment assets			7,015	6,781

20 RESTRICTED RESERVES

Reserves with restrictions are as follows:

Group

	Unspent capital grants £'000	Restricted donations £'000	2019 Total £'000	2018 Total £'000
At 1 August 2018	5,848	2,770	8,618	7,582
New donations	575	841	1,416	2,892
Transfer to unrestricted reserves	-	-	-	(1,038)
Investment income	-	-	-	80
Capital grants utilised	(6,134)	-	(6,134)	(368)
Expenditure	-	(803)	(803)	(584)
Increase in market value of investments	-	136	136	54
Opening balance adjustments	-	(10)	(10)	-
Total restricted comprehensive income / (expenditure) for the year	(5,559)	164	(5,395)	1,036
At 31 July 2019	289	2,934	3,223	8,618

Trinity Laban

	Unspent capital grants £'000	Restricted donations £'000	2019 Total £'000	2018 Total £'000
At 1 August 2018	5,848	2,770	8,618	6,808
New donations	575	841	1,416	2,892
Investment income	-	-	-	80
Capital grants utilised	(6,134)	-	(6,134)	(632)
Expenditure	-	(803)	(803)	(584)
Increase in market value of investments	-	136	136	54
Opening balance adjustments	-	(10)	(10)	-
Total restricted comprehensive income / (expenditure) for the year	(5,559)	164	(5,395)	1,810
At 31 July 2019	289	2,934	3,223	8,618

	2019 Total £'000	2018 Total £'000
Analysis of other restricted funds/donations by type of purpose:		
Scholarships and bursaries	26	19
Prize funds	18	6
General	2,900	2,746
Opening balance adjustment	(10)	-
	2,934	2,771

21 CASH AND CASH EQUIVALENTS

Group	At 1 August 2018 £'000	Cash flows £'000	At 31 July 2019 £'000
Cash at bank	4,403	(786)	3,617
	<u>4,403</u>	<u>(786)</u>	<u>3,617</u>

22 CAPITAL COMMITMENTS

	Group 2019 £'000	Trinity Laban 2019 £'000	Group 2018 £'000	Trinity Laban 2018 £'000
Commitments contracted for	-	-	1,086	-
	<u>-</u>	<u>-</u>	<u>1,086</u>	<u>-</u>

The were no capital commitments for the year ended 31 July 2019.

23 LEASE COMMITMENTS

At 31 July 2019, the Conservatoire and the Group had future minimum lease payments as follows:

	Land & buildings 2019 £'000	Other 2019 £'000	Land & buildings 2018 £'000	Other 2018 £'000
Payable during the year	226	75	226	85
Future minimum lease payments due:				
Less than 1 year	226	73	226	75
Between 2 - 5 years	903	34	903	65
More than 5 years	25,992	-	26,196	-
	<u>27,121</u>	<u>107</u>	<u>27,325</u>	<u>140</u>

The lease payments in the year ended 31 July 2019 were recognised as an expense.

24 SUBSIDIARY UNDERTAKINGS

The Conservatoire has a 100% holding in The Blackheath Halls and BCH Enterprises Limited, companies limited by guarantee, both with the registered Office as King Charles Court, Old Naval College, Greenwich, London, SE10 9JF. The Blackheath Halls is a registered charity with the objective to raise funds to advance education by the encouragement of the arts. BCH Enterprises Limited main activity is the provision of hall hire and associated catering services.

The country of incorporation of both subsidiaries is the UK.

	2019 £'000	2018 £'000
a) The Blackheath Halls		
Income	1,621	1,560
Expenditure	(1,073)	(826)
Net income	<u>548</u>	<u>734</u>
Net Assets	<u>2,840</u>	<u>2,831</u>
b) Blackheath (Enterprises) Limited		
Turnover	198	165
Cost of Sales	(65)	(46)
Gross profit	<u>133</u>	<u>119</u>
Administration expenses	(91)	(69)
Interest Payable	(1)	(1)
Profit on ordinary activities before taxation	<u>41</u>	<u>49</u>
Tax on profit on ordinary activities	-	(9)
Profit for the financial year	<u>41</u>	<u>40</u>
Net Assets	<u>5</u>	<u>16</u>

25 RELATED PARTY TRANSACTIONS

The Students Union was provided with a Capitation grant of £48,364 in the year ended 31 July 2019 which is the Conservatoire's contribution for the running the Union. The Students Union is a separate entity existing for the benefit of students of the Conservatoire. It is not controlled by the Conservatoire and has not been Consolidated into the Conservatoire's Group Financial Statements. Alriches Theatre Consultant, a relation to the Director of Dance was paid £5,750 for flooring. All these related party transactions were held at "arm's length". There were no other related party transactions.

26 ULTIMATE CONTROLLING PARTY

The Group and Company had no ultimate controlling party as at 31 July 2019.

27 PENSION COSTS

TOTAL PENSION COSTS

The total pension cost, including administration charges, for each scheme of the Conservatoire was as follows:

	2019	2018
	£'000	£'000
Contributions to TPS	722	678
Contributions to USS	964	918
Contributions to LPFA / LGPS	46	49
Contributions to TCMPA	252	254
Contributions to other schemes	38	22
FRS102 adjustment on L&G and LPFA schemes	(31)	(207)
Total pension costs	1,991	1,714

PENSION SCHEMES

The two principal pension schemes for the Conservatoire's staff are the Teachers' Pension Scheme (TPS) and the Universities Superannuation Scheme (USS) for administrative staff. In addition, administrative staff were eligible for membership of the London Pension Fund Authority (LPFA) up to 31 July 2005 and of the Trinity College of Music Pension and Assurance (TCMPA) Scheme up to 31 December 2001.

Teachers' Pension Scheme (TPS)

Trinity Laban participates in TPS, a defined benefit pension scheme. TPS is an unfunded scheme and contributions are credited on a "pay-as-you-go" basis to the Exchequer under arrangements governed by the Superannuation Act 1972. Actuarial valuations are carried out on a notional set of investments. Under the definitions set out in FRS 102 "Retirement and post employment benefits", the TPS is a multi-employer pension scheme and Trinity Laban is unable to identify its share of the underlying (notional) assets and liabilities of the scheme. Accordingly, the Conservatoire has taken advantage of the exemption in Section 28 of FRS 102 "Employee benefits" and has accounted for its contributions to the scheme as if it were a defined contribution scheme.

As a result, the amount charged to the income and expenditure account represents the contributions payable to the scheme in respect of the accounting period. The total cost charged to the comprehensive income and expenditure account is £721,823 (2018: £677,583) as shown above.

As regards the scheme, the pensions cost is assessed every five years in accordance with advice from the government actuary. The last actuarial valuation carried out was in March 2012 using the projected unit method. The 2012 actuarial review showed (1) investment return assumed at 5% per annum; (2) pension increases assumed at 2% per annum; (3) salary increases assumed at 5% per annum; (4) value of total scheme liabilities as £191.5bn; (5) value of notional assets as £176.6bn; and (6) shortfall of £14.9bn. The assets therefore were sufficient to cover 92% of the benefits which had accrued to members after allowing for expected future increases in earnings.

Following the implementation of Teachers' Pensions (Employers' Superannuation Contributions) Regulations 2000 the government actuary carried out a further review on the level of employers' contributions. For the period from 1 April 2002 to 31 March 2003 the employer contribution was 8.35%. This rate increased to 13.5% from 1 April 2003. From January 2007 the employer contribution rate was revised to 14.1%. From 1 September 2015 the employer contribution rate was increased to 16.4%.

Universities Superannuation Scheme (USS)

Significant accounting policies

The institution participates in Universities Superannuation Scheme. The scheme is a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee benefits", the institution therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme. Since the institution has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the institution recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and therefore an expense is recognised.

Critical accounting judgements

FRS 102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as Universities Superannuation Scheme. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense in profit or loss in accordance with section 28 of FRS 102. The directors are satisfied that Universities Superannuation Scheme meets the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the recovery plan in existence at the date of approving the financial statements.

27 PENSION COSTS (CONTINUED)

The total cost charged to the profit and loss account is £971,695 (2018: £971,695), as shown in this note above.

The latest available complete actuarial valuation of the Retirement Income Builder is at 31 March 2017 (the valuation date), which was carried out using the projected unit method. A valuation as at 31 March 2018 is underway but not yet complete.

Since the institution cannot identify its share of USS Retirement Income Builder assets and liabilities, the following disclosures reflect those relevant for those assets and liabilities as a whole.

The 2017 valuation was the fourth valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to adopt a statutory funding objective, which is to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £60.0 billion and the value of the scheme's technical provisions was £67.5 billion indicating a shortfall of £7.5 billion and a funding ratio of 89%.

Defined benefit liability numbers for the Scheme for accounting purposes have been produced using the following assumptions as at 31 March 2018 and 2019.

	2019	2018
	% pa	% pa
Discount rate	2	3
Pensionable salary growth	n/a	n/a
Pension increases (CPI)	2	2

The main demographic assumption used relates to the mortality assumptions. These assumptions are based on analysis of the scheme's experience carried out as part of the 2017 actuarial valuation. The mortality assumptions used in these figures are as follows

	2019	2018
Mortality Base Table	<u>Pre Retirement</u>	
	71% of AMCO (duration0) for males and 112% of AFCO (duration0) for females	98% of SAPS s1NA 2light" YOY unadjusted for males
	<u>Post retirement</u>	
	96% of SAPS S1NMA 2light" for males and 101.3% of RFV00 for females	99% of SAPS S1NMA 2light" YOY with a 1 year adjustment for females
Future Improvements to mortality	CMI_2016 with a smoothing parameter of 8.5 and a long term improvement rate of 1.8% pa for males and 1.6% for females	CMI_2014 with a long term rate of 1.5%pa
		2019
Males currently aged 65 (years)		25
Females currently aged 65 (years)		26
Males currently aged 45 (years)		27
Females currently aged 45 (years)		28
		2018
Males currently aged 65 (years)		25
Females currently aged 65 (years)		26
Males currently aged 45 (years)		27
Females currently aged 45 (years)		28

The scheme assets and liabilities at the accounting year end are as follows:

Scheme assets	£60.0bn	£63.6bn
Total scheme liabilities	£67.5bn	£72.0bn
FRS 102 total scheme deficit	£7.5bn	£8.4bn
FRS 102 total funding level	1	1

Movement in deficit during the year in USS scheme:

	2019	2018
	£000	£000
Scheme deficit as at 1 August	(1,680)	(1,886)
Service credit / (cost)	(3,429)	239
Net interest on the defined liability	(37)	(33)
Scheme deficit at 31 July	(5,146)	(1,680)

27 PENSION COSTS (CONTINUED)

DISCLOSURES IN RESPECT OF LONDON PENSION FUND AUTHORITY (LPFA) SCHEME

This scheme, for administrative staff, is a defined benefit scheme and has been closed to new members since the merger of Trinity and Laban on 1 August 2005. The pension benefits for existing members continued to be provided under the LPFA scheme.

The latest formal triennial valuation was carried out by the scheme's actuary Barnet Waddingham as at 31 March 2016 using the projected unit method, with the valuation results taking into account changes to the scheme from 1 April 2017. The valuation showed (1) discount rate assumed at 5.7%; (2) pension increases assumed at 2.4% per annum; (3) salary increases assumed at 2.4% per annum for first two years and then 3.9% thereafter; (4) value of total scheme liabilities as £4.7m; (5) value of notional assets as £4.5m; and (6) shortfall of £0.2m. The assets therefore were sufficient to cover 96% of the benefits which had accrued to members after allowing for expected future increases in earnings.

The major assumptions by the actuary in valuing liabilities as at 2019 and 2018 were:

	2019	2018
	% pa	% pa
Discount rate		
Expected pension increases (limited price indexation)	2	3
Inflation rate	2	2
Salary increases	2	2

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

	2019	2018
	%	%
Retiring today		
Males	21	22
Females	24	25
Retiring in 20 years		
Males	23	25
Females	26	27

The expected rate of return on the assets and the fair values of the assets of the LPFA scheme were as follows:

	2019	2018	2017	2016
	Fair	Fair	Fair	Fair
	Value	Value	Value	Value
	£000	£000	£000	£000
Equities	2,837	2,894	2,773	2,044
Alternative assets	774	603	499	449
Target return portfolio	1,323	1,056	939	965
Cash	275	219	314	165
Cashflow matching	-	-	-	347
Total market value of assets	5,209	4,772	4,525	3,970
Present value of scheme liabilities	(6,695)	(6,081)	(6,255)	(6,226)
Deficit in the scheme	(1,486)	(1,309)	(1,730)	(2,256)

For accounting years after 1 January 2015, the expected rate of return and the interest cost was replaced by a single net interest cost, which will effectively set the expected return equal to the discount rate. Therefore, for 2019 this was 2.1% and 2018 this was 2.7%.

Amounts recognised in the consolidated statement of comprehensive income and expenditure
(LPFA scheme)

	2019	2018
	£000	£000
Service cost	(88)	(100)
Employer contributions	46	49
Administration expenses	(6)	(6)
Net interest on the defined liability	(34)	(46)
Total Actuarial gain/loss	(95)	525
Total comprehensive income/(expenditure) for the year	(177)	422

27 PENSION COSTS (CONTINUED)

Movement in deficit during the year (LPFA scheme):

	2019	2018
	£000	£000
Scheme deficit as at 1 August	(1,309)	(1,730)
Service cost	(88)	(100)
Employer contributions	46	49
Administration expenses	(6)	(6)
Net interest on the defined liability	(34)	(46)
Total Actuarial gain/ loss	(95)	524
Scheme deficit at 31 July	(1,486)	(1,309)

DISCLOSURES IN RESPECT OF TRINITY COLLEGE OF MUSIC PENSION AND ASSURANCE (TCMPA) SCHEME

This scheme, for administrative staff, is a defined benefit scheme and with effect from 31 December 2001, has become a closed scheme. The pension benefits for administrative staff in respect of service from that date will be earned within the Universities Superannuation Scheme.

The latest actuarial valuation was carried out as at 31 July 2019 using the projected unit method. The actuarial valuation revealed a deficit of £512,000 in the value of the assets of the scheme of £10,388,000 compared to the actuarial liability of £10,900,000 for pension benefits. This represents a funding shortfall of 5%.

The major assumptions by the actuary in valuing liabilities at 2019 and 2018 were:

	2019	2018
	% pa	% pa
Discount rate	2	3
Expected pension increases (limited price indexation)	3	3
Inflation rate	3	3

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

	2019	2018
	%	%
Retiring today		
Males	23	23
Females	24	24
Retiring in 20 years		
Males	24	24
Females	25	26

The expected rate of return on the assets and the fair values of the assets of the TCMPA scheme were as follows:

	2019	2018	2017	2016
	Fair	Fair	Fair	Fair
	Value	Value	Value	Value
	£000	£000	£000	£000
Bonds	2,128	1,929	1,828	1,678
Equities	6,165	6,053	5,524	5,035
Annuities	2,067	2,373	2,528	2,541
Cash	28	20	7	29
Total market value of assets	10,388	10,375	9,887	9,283
Present value of scheme (liabilities)	(10,900)	(10,205)	(10,501)	(10,053)
Deficit in the scheme	(512)	170	(614)	(770)

For accounting years after 1 January 2015, the expected rate of return and the interest cost was replaced by a single net interest cost, which effectively set the expected return equal to the discount rate. Therefore, for 2019 this was 2.7% and 2018 this was 2.5%.

27 PENSION COSTS (CONTINUED)

Analysis of the movement in the present value of the scheme liabilities (TCMPA scheme)

	2019	2018
	£000	£000
Value of liabilities as 1 August	10,205	10,501
Interest cost	268	261
Past service cost	127	-
Experience loss/(gain) on liabilities	38	-
Loss in changes in financial assumptions	1,067	(241)
Change in demographic assumptions	(248)	-
Change in secured pensioners value due to scheme experience	(236)	(184)
Benefits paid	(321)	(132)
Value of liabilities as 31 July	10,900	10,205

Analysis of the movement in the present value of the scheme assets (TCMPA scheme)

	2019	2018
	£000	£000
Bid value of assets at 1 August	10,375	9,887
Expected return on assets	275	248
Gain on asset return	107	329
Employer contributions (gross)	200	258
Expenses paid by the scheme	(12)	(31)
Change in secured pensioners value due to scheme experience	(236)	(184)
Benefits paid	(321)	(132)
Bid value of assets at 31 July	10,388	10,375

Amounts recognised in the consolidated statement of comprehensive income and expenditure (TCMPA scheme)

	2019	2018
	£000	£000
Employer contributions	73	258
Administration expenses	(12)	(31)
Net interest on the defined liability	7	(13)
Total Actuarial loss	(750)	570
Total comprehensive income/(expenditure) for the year ended 31 July	(682)	784

Movement in deficit during the year (TCMPA scheme):

	2019	2018
	£000	£000
Scheme deficit at 1 August	170	(615)
Employer contributions	73	258
Administration expenses	(12)	(31)
Net interest on the defined liability	7	(13)
Total Actuarial loss	(750)	570
Scheme deficit at 31 July	(512)	169

Consolidated Pension Schemes Movement in deficit during the year :

	2019	2018
	£000	£000
Scheme deficit at 1 August	(2,819)	(4,230)
Service credit / (cost)	(3,517)	140
Employer contributions	119	307
Administration expenses	(18)	(38)
Net interest on the defined liability	(64)	(92)
Total Actuarial gain/ (loss)	(845)	1,095
Scheme deficit at 31 July	(7,144)	(2,818)

28 PRIOR YEAR ADJUSTMENT

During the year, the Conservatoire reviewed the release of deferred capital grants and noted the requirement to reduce the rate of release from 3% to 2% to match the life of the freehold property situated at our Laban site. The impact on the Conservatoire's Statement of Comprehensive Income and Expenditure is shown below affecting prior year other income.

	Trinity Laban 2018 £'000	Effect of Adjustment £'000	Restated Trinity Laban 2018 £'000
Income			
Tuition fees and education contracts	12,485	-	12,485
Funding body grants	6,233	-	6,233
Research grants and contracts	16	-	16
Other income	3,653	(91)	3,562
Investment income	178	-	178
Donations and endowments	3,868	-	3,868
	-	-	-
Total income	26,433	(91)	26,342
Expenditure			
Staff costs	14,123	-	14,123
Other operating expenses	8,874	-	8,874
Depreciation	1,305	-	1,305
Interest and other finance costs	175	-	175
	-	-	-
Total expenditure	24,477	-	24,477
Surplus/(deficit) before other gains and losses	1,956	(91)	1,865
Loss on disposal of fixed assets	(75)	-	(75)
Gain on investments	266	-	266
	-	-	-
Surplus/(deficit) before tax	2,147	(91)	2,056
Taxation	-	-	-
	-	-	-
Surplus/(deficit) for the year	2,147	(91)	2,056
Actuarial Gain/ (loss) in respect of pension schemes	1,094	-	1,094
	-	-	-
Total comprehensive income/ (expenditure) for the year	3,241	(91)	3,150
Represented by:			
Endowment comprehensive income for the year	8	-	8
Restricted comprehensive income/ (loss) for the year	1,810	-	1,810
Unrestricted comprehensive income/ (loss) for the year	1,423	(91)	1,332
	3,241	(91)	3,150

TRINITY LABAN CONSERVATOIRE OF MUSIC AND DANCE

28 PRIOR YEAR ADJUSTMENT (continued)

During the year, the Conservatoire reviewed the release of deferred capital grants and noted the requirement to reduce the rate of release from 3% to 2% to match the life of the freehold property situated at our Laban site. The impact on the Conservatoire's balance sheet is shown below affecting prior year creditors falling due in less than one year and that falling due in more than one year.

	Trinity Laban 2018 £'000	Effect of Adjustment £'000	Restated Trinity Laban 2018 £'000
Non current assets			
Fixed assets	35,197	-	35,197
Investments	7,310	-	7,310
	<u>42,507</u>	<u>-</u>	<u>42,507</u>
Current assets			
Stock	2	-	2
Trade and other receivables	978	-	978
Cash and cash equivalents	3,983	-	3,983
	<u>4,963</u>	<u>-</u>	<u>4,963</u>
Less: Creditors: amounts falling due within one year	(4,527)	91	(4,436)
Net current assets (liabilities)	<u>436</u>	<u>91</u>	<u>527</u>
Long Term intercompany Debtor	560	-	560
Total assets less current liabilities	43,503	91	43,594
	-	-	-
Creditors: amounts falling due after more than one year	(13,996)	(1,637)	(15,633)
Provisions			
Pension provisions	(2,819)	-	(2,819)
Other provisions	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total net assets	<u><u>26,688</u></u>	<u><u>(1,546)</u></u>	<u><u>25,142</u></u>
Restricted reserves			
Endowments			
Expendable	759	-	759
Permanent	6,022	-	6,022
Income and expenditure reserve - endowment reserve	6,781	-	6,781
Income and expenditure reserve - restricted reserve	8,618	-	8,618
Unrestricted reserves			
Income and expenditure reserves	9,140	(1,546)	7,594
Pension reserves	(2,819)	-	(2,819)
Income and expenditure reserve - unrestricted	6,321	(1,546)	4,775
Revaluation reserve	4,968	-	4,968
Total reserves	<u><u>26,688</u></u>	<u><u>(1,546)</u></u>	<u><u>25,142</u></u>

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