

FINANCIAL STATEMENTS 2016-17

TRINITY LABAN CONSERVATOIRE
OF MUSIC & DANCE

A REGISTERED CHARITY AND
COMPANY LIMITED BY GUARANTEE
COMPANY REGISTRATION NO. 31080
CHARITY NO. 205588



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Legal and Administrative Details

Patron	His Royal Highness The Duke of Kent KG GCMG GCVO ADC	
Board of Governors		
Independent Governors	<p>The Rt Hon The Lord Lipsey [retired June 2017] The Rt Hon Harriet Harman QC MP (Chair) [appointed June 2017]</p> <p>Dr Esther Cavett (Joint Vice-Chair) [retired April 2017] Dr Geoffrey Copland CBE (Joint Vice-Chair) Rebecca Allen John Crompton [appointed June 2017] David Edmonds CBE [retired June 2017] Deborah Harris Sam Jackson Martin Kettle Hilary Oliver Professor Nirmala Rao OBE Bill Robinson Francesca Robinson [retired April 2017]</p>	
Co-opted Governors	<p>Councillor Helen Klier Councillor Allan MacCarthy</p>	
Ex Officio Governors	Professor Anthony Bowne (Principal)	
Staff Governors	<p>Dr Aleksander Szram Laura Witt</p>	
Student Governors	<p>Verity Bramson [appointed August 2016, retired July 2017] Lauren McKillop [appointed August 2016, retired July 2017]</p>	
Secretary and Clerk to the Board	Dean Surtees	
Registered Name and Office	<p>Trinity Laban Conservatoire of Music and Dance King Charles Court Old Royal Naval College Greenwich SE10 9JF (Limited by guarantee) Company No: 51090, Charity No: 309998</p>	
Company Secretary	Dean Surtees	
Auditors	<p><i>External Auditors</i> Grant Thornton UK LLP 30 Finsbury Square London EC2P 2YU</p>	<p><i>Internal Auditors</i> Kingston City Group Kingston University Room 62, Kenry House Kingston upon Thames KT2 7LB</p>
Bankers	<p><i>Allied Irish Bank (GB)</i> 10 Berkeley Square London N1J 6AA</p>	<p><i>NatWest Bank</i> 10 Marylebone High Street London W1U 4BT</p>
Photos	Chris Nash, James Keates	

STRATEGIC REPORT OF THE BOARD 2016-2017

Aims and objectives

Trinity Laban Conservatoire of Music and Dance's ("the Conservatoire") 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
- to improve the professional and technical education of music, dance and other students

Mission

Trinity Laban Conservatoire of Music and Dance is an international artistic and educational community that brings together performers and practitioners to train, collaborate, research and perform in inspiring creative, intellectual and physical spaces. We identify, support and develop talented and innovative performers and creators wherever they may be found and throughout their creative lives.

Vision

As a forward-thinking, contemporary conservatoire, Trinity Laban Conservatoire of Music and Dance:

- nurtures the individual voice and artistic personality of every student;
- develops reflective, innovative, collaborative and resourceful artists and practitioners;
- influences the future of its art forms through the contributions of its alumni and its research and creative practice



Principal activities

Trinity Laban Conservatoire of Music and Dance is a publicly funded higher education institution. Its principal activities are:

- the provision of specialist, practice-based higher education which prepares and equips students for successful careers 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;
- 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.



Activities and achievements in 2016-17 in the delivery of charitable purposes for the public benefit

Progress against our Strategic Plan

2016-2017 was a demanding but productive year for Trinity Laban. Within tight resources, we pursued important elements of our existing strategy while reflecting and planning for future success in an operating environment made difficult by political uncertainty around Brexit and the future regulation and funding of the sector. Over the year, the Conservatoire undertook a major strategic review to underpin preparation of a new Strategic Plan. There was extensive consultation among governors, staff and students, and strong consensus on the continuing importance of innovation as a key driver and feature of Trinity Laban as well as emerging themes of growth, student and staff diversity and diversification of our programme offer. The Board looks forward to ratifying the strategy and its associated operating and investment framework for introduction in 2018.

Expansion and enhancement of our estate is a main developmental priority for the Conservatoire, and considerable progress was made with estates plans in 2016-2017. The first phase of a major redevelopment programme at Blackheath Halls was successfully completed in the summer of 2016 with renovation of the roof. Confirmation of a transformative £2m donation from the Hearn Foundation then allowed planning to move forward for extensive further works to the Grade II listed performance and rehearsal venue, covering the Great Hall, backstage and front of house spaces. The project will establish the Halls as a flexible and creative performance centre for the twenty first century, serving the needs of students, artists, audiences, and our local community. Significant headway was also made on a potential mixed use development next to the Laban Building at Creekside which will provide Trinity Laban with additional performance space, dance studios, collaborative space and study and social facilities for students. The development received backing from the London Borough of Lewisham and is expected to proceed through planning in late 2017 or early 2018.

In an increasingly competitive student recruitment market both in the UK and internationally, the importance of a strong brand and online presence is magnified. The Conservatoire invested particular effort in 2016-2017 to ensure that we were presenting an authentic, compelling and informative picture of Trinity Laban across our communication channels. This included a positioning exercise that engaged widely with internal and external stakeholders to establish what students, staff and other beneficiaries value most about the organisation and how best to communicate its distinctiveness. We also

undertook a comprehensive review and redesign of the institutional website; the new site was launched at the start of the 2017-2018 academic year.

Collaboration is central to Trinity Laban's ethos and to the achievement of its strategic goals for student learning, artistic innovation, and institutional sustainability. Over the past year, we continued to build our portfolio of partnerships with like-minded arts and educational organisations in the UK and internationally. In music, a new long-term association was formed with the Bournemouth Symphony Orchestra aimed at increasing professional development for young musicians across the South of England as well as increasing the diversity of the UK orchestral profession. Joint initiatives include coaching, training and performance opportunities for current students and recent graduates to bridge the gap between higher education and professional practice, and identification and support of talented and committed young instrumentalists and composers from communities currently under-represented in the profession. In Dance, collaborative agreements were signed with Beijing Dance Academy, East Carolina University School of Theatre and Dance and Hanyang University, Korea.

Alongside these achievements, we must acknowledge some setbacks for the Conservatoire. The Board was disappointed that the outcome of the first full Teaching Excellence Framework exercise saw Trinity Laban awarded a Bronze rating due to poor metric performance in relation to the 2016 National Student Survey, and despite metrics showing employment outcomes for graduates that were among the strongest in the entire HE sector. The Conservatoire is committed to working in partnership with students on the continual enhancement of learning and teaching and the student experience, and has worked with the student body to identify and deliver targeted improvements. It was pleasing to see a notable rise in National Student Survey scores in the 2017 survey and there is confidence that an improved TEF result, commensurate with the demonstrable success of Trinity Laban students during their studies and on graduation, will follow.

Despite challenges, Trinity Laban continues to see ever rising standards among its students and graduates whose achievements, alongside the standing and excellence of its staff, provide the strongest testament to the Conservatoire's position as a leading creative force in music and dance. The Board is pleased to highlight below examples of the range of activities and benefits delivered to students, audiences, the arts industry and the wider community in 2016-2017, and resulting student, alumni and staff accomplishments.

Supporting our students and alumni

Trinity Laban aims to provide excellent, contemporary, performance-based education that realises the individual potential of each student and supports their creative aspirations during and after their studies. The current Learning and Teaching Plan 2015-2019 reached the midpoint of its lifecycle at the end of the academic year, and delivery was mapped against the Plan objectives in order to ascertain progress in key areas; to identify where good practice was emerging; and to capture local initiatives that could advantageously be extended for greater impact on the student experience and to improve support for teaching staff.

We pursued a number of enhancement initiatives in 2016-2017 that looked at key points in students' learning journey through the Institution. The Induction Group evaluated the 2016-17 student induction process and found evidence of continued improvement on previous exercises, while taking forward plans to streamline timetable access for students and to programme more Faculty-led initiatives for greater content variety. An initial transition mapping exercise was conducted to learn more about the critical moments of transition within our programmes and targeting academic and pastoral support most effectively. Learning Support upgraded its communications and branding to make the availability of academic support more visible. A revised careers resource was developed through a collaboration between the Careers Coordinator, Alumni Relations and the Marketing Department, a process that involved significant student and alumni consultation and feedback.

An important milestone was the validation by the Higher Education Academy of Trinity Laban's professional development scheme for academic staff, *TL Augment*. The scheme provides three pathways for staff to achieve accreditation against the UK Professional Standards Framework as either an Associate Fellow, Fellow or Senior Fellow of the HEA through an internal programme of mentoring and peer review. Formal recognition of our staff as teachers in higher education, operating to nationally established standards, provides assurance that students are receiving the highest quality education and adds further impetus to the Institution's systematic process of pedagogical enhancement.

As well as benefitting from the teaching and guidance of a hugely distinguished staff body, Trinity Laban students receive inspiring opportunities to work with preeminent visiting artists who conduct and choreograph performances and deliver masterclasses, coaching sessions and workshops. In 2016-2017, for example, acclaimed pianist and composer Rolf Hind joined the Faculty of Music's complement of Artists in Residence which included the Carducci and Wihan Quartets and Pascal Rogé. In Dance,

there were workshops with members of Hofesh Schecter Company and renowned choreographers such as Cristian Duarte, Oded Ronen, Marina Collard, Ben Wright and Maciej Kuzminski worked with Transitions Dance Company and BA Contemporary Dance third year students.

Trinity Laban's core commitment is that the excellence of its training should be available to gifted creators and performers, whatever their background or circumstances. The Board has been gratified to note sustained leading outcomes on widening participation measures among our conservatoire peer group. In 2017, Trinity Laban significantly exceeded the conservatoire average on national indicators covering recruitment from low participation neighbourhoods, entry from state schools and percentage of students with a disability. We are mindful of the significant financial commitment students incur when undertaking conservatoire training and continue to target financial aid to ensure that this does not deter talented entrants from less advantaged backgrounds. In the past year, 168 undergraduate students between them received £194K in income-related bursaries under our Access Agreement.

A further 170 younger students in our Junior Trinity and Dance CAT programmes accessed exceptional teaching and progression opportunities in dance and music through financial awards under the National Music and Dance Scheme as well as from the Conservatoire's own funds.



Pictured: Jack McNeil

Student successes

Final year musical theatre students Lori-Jane McLare and Jack McNeill were cast in the musical The Hired Man at the Unicorn Theatre

Pianist Joe Howson won the Appelbe Piano Prize

The Nemesis Trio – Heather Stewart (violin), Helena Svigelj (cello) and Amos Lucidi (piano) – won the 2017 Cavatina Intercollegiate Chamber Music Competition

First year harpist Noelia Cotuna won first prize in the Camac Competition, the UK's premier harp competition

Composition student Ailie Robertson reached number 2 in the iTunes Classical Music chart with her new single Haven

Double bass student Lewis Grant Reid performed with the BBC Symphony Orchestra at the Royal Albert Hall

Research student Alexander Walker was awarded The Elgar Medal, the Elgar Society's highest honour

Choreography student Gianna Burrigh coordinated a visit to Trinity Laban from the University of California Santa Barbara (UCSB) Dance Company

Several dance students appeared in a series of videos for Jools Holland's new album

The alumni relations programme at Trinity Laban has continued to advance in building a reciprocal relationship with our international community of graduates and we are now in contact with just under 7,500 alumni. Alumni successes are promoted across the Institution's social media platforms, website and marketing collateral. Significantly, in the latest prospectus, the number of alumni who contributed a quote has greatly increased. These profiles demonstrate the importance of their time at Trinity Laban in their career success. To support a new strategy for schools engagement, a survey was sent to improve our intelligence about alumni who teach and a separate project was carried out to support the Institution's US strategy. This focused on improving the career and location data we hold and reconnecting with US alumni with whom we have lost touch. Both projects had a good response rate demonstrating positive engagement from our alumni who are important as global ambassadors and a valuable recruitment channel for us. Opportunities for graduates to contribute by enhancing the student experience have developed with the gathering of alumni career case studies and alumni returning to give talks. The number of alumni events, including reunions, concerts and gatherings for international alumni, increased. These are important for cultivating warm relationships and fostering involvement in the life of the Institution.

Alumni Achievements

Jazz bassist Daniel Casimir won the Musicians' Company Young Jazz Musician Competition

Elin Parry (viola), Andrea Montalbano and Claire Sledd (both violin) all joined the Southbank Sinfonia

Choreographer Jean Abreu presented his new work A Thread at the Southbank Centre, London and the Lincoln Center, New York

James Darch joined the cast of Wicked in London's West End

Pianist Gen Li presented his debut recital at the Wigmore Hall and won the Brant International Piano Competition

Zoe Rogers joined the cast of 42nd Street at the Theatre Royal, Drury Lane

Jazz septet Nerija – featuring five alumni – were named City Music Foundation Artists

Tenor Adam Music joined the chorus of Welsh National Opera

Sebastian Abarbanell joined Sidra Bell Dance in New York

Soprano Jessie Tse won the Antonio Bertolino Competition

Charlotte Tomlinson was awarded the Inspirational Community Dance Practitioner Award at the inaugural One Dance UK Dance Teaching Awards

Andy Race joined Tavaziva Dance Company, joining fellow alumni Lisa Rowley and Theo Samsworth

Richard Gaddes received an Honorary Doctorate from the Manhattan School of Music, New York

Olivia Edginton joined Candoco Dance Company

Choreographer Adam Rutherford received the DanceXchange Choreography Award

Elly Braund performed with the Richard Alston Dance Company

Sarah Golding joined the cast of STOMP in London's West End

Phoebe Hart was a featured dancer in the new musical Bat out of Hell at the London Coliseum

Composer Cassie Kinoshi was selected for the prestigious "The Old Vic 12" artist development programme

Mezzo soprano Georgia Bishop won second place in the Wagner International Singing Competition

Soprano Nardus Williams won the Maureen Lehane Vocal Award

Rebecca Allen was made President of Decca Records, and was included in the 2016 Women in Music Roll of Honour

Beverley Glean was made MBE in the New Year's Honours list

Baritone James Newby enjoyed a breakthrough year: he performed at the Last Night of the BBC Proms, won the Gerald Moore Award and Trinity Laban Gold Medal, joined the OAE Rising Stars scheme, became a Jerwood Young Artist at Glyndebourne and won the John Christie Award



Pictured: Adam Music, Olivia Edginton

Providing lifelong opportunities in Dance and Music

The Conservatoire recognises the growing importance of its pre-HE programmes as the availability of music and dance in schools declines in response to changes to the national curriculum and school accountability measures, and fewer students have access to GCSE and A Level in arts subjects. It continues to address inequality of access both through its own out-of-school outreach and in reach work and through school engagement.

In 2016-17, the Faculty of Music piloted in depth work with schools with the longer term vision of creating schools' partnerships/champion schools. Funding from Youth Music was secured to support a project to look at the barriers to progression in music for children and young people living in challenging circumstances. This is a two year project with Ark Evelyn Grace Academy, Brixton, through which, Trinity Laban staff and students are being immersed in the school in a range of music projects supporting both curriculum teaching and out of school activities, (for example, Exploring Improvisation, and an after school practice club). Over the next five years, we aim to partner with an additional three secondary schools for at least two years.

Junior Trinity has seen an increase in the numbers of students taking A Level music and music Technology, including larger numbers of students on our Distance Learning 'A' Level course, as a direct result of the reduction of provision of these subjects being offered by schools. The numbers of students taking GCSE music with us has been maintained at a very healthy level. Junior Trinity continues to lead on targeted recruitment with hard to reach young people for whom progression to a Junior Conservatoire has significant barriers. Working in partnership with organisations such as London Music Masters, students can be fully supported to transition to Junior Trinity.

The Conservatoire has increased its professional development provision for both primary and secondary school teachers to support the delivery of Music and Dance in the curriculum. In Dance, we have forged partnerships with the professional dance companies featured in the GCSE Dance specification and delivered a programme of specialist training days for GCSE Dance teachers, working with the Royal Opera House, James Cousins Dance Company and Boy Blue Entertainment among others. We have also expanded our support in schools, working in Central Foundation Secondary School in Tower Hamlets to raise the attainment of pupils undertaking dance examinations by providing specialist dance artists to complement the curricular provision.

In all its activity, the Conservatoire listens to and respects the voice of young people. We have established the Trinity Laban Youth Forum as an opportunity for participants aged 12-19 to share their ideas and positively influence our Children's and Young People's programmes. Youth Forum members are encouraged and supported to:

Gain new skills - this might include public speaking, event management, Arts Award qualifications, reviewing events or writing for the Trinity Laban website

Have a voice - be brave and share ideas that help to develop Trinity Laban's musical activities, events and projects for young people and their peers

Be ambassadors - raise awareness and spread the word about Trinity Laban's activities, events and projects for young people in their local communities, schools and friendship groups

Enriching our communities

Trinity Laban aims to provide cultural programmes and projects which enrich its community, facilitate sustained participation and progression in music and dance, and promote transformational social, educational and economic outcomes. Across our performance venues, including the Laban Theatre and Blackheath Halls as well as touring and site-specific locations, we presented a wide-ranging programme of professional, student and community performances with attendances in excess of 80,000 of which 45% were free.

A growing area has been collaboration with museums and galleries to animate collections with performance elements and thereby attract and engage new and more diverse audiences. In February 2017, the Conservatoire delivered its first set of participatory projects as a Founding Associate of the Tate Exchange programme, a ground-breaking initiative which invites the public to come together with international artists and over fifty Associates annually to collaborate, test ideas and discover new perspectives on life through art. Trinity Laban's free programme – entitled Creative Collision – took place in the dedicated spaces in the new Switch House at Tate Modern and consisted of three strands which attracted over 2,500 visitors across seven days:

- **Live at Trinity Laban** which explored what happens when dance, music and visual art collide;
- **Blind Date**, which discovered what happens when artists of different ages and perspectives meet for the first time;
- **What is the role of participatory artists today?** comprising conversations on the value of the participatory arts in contemporary society.

Another important focus is the use of the arts to address societal challenges around physical and mental health and well-being as well as the social and health impacts of an ageing population. We have formed partnerships that explore the benefits of interventions in specific health contexts, such as with Kings College Hospital and Headway (the national organisation for people with acquired brain injury), and delivered programmes that confront the way aging is perceived and experienced and the role of older people as artists. Target groups include healthy and active people aged 60+ in our locality as well as those in the 'fourth age' experiencing health issues that are life-limiting, for example working in residential homes and hospitals with people with dementia.



Pictured: Tate Exchange

Performance highlights

Among a huge range of professional, student and community performances, many offering free entry, 2016-17 highlights included:

Numerous Side-by-Side orchestral concerts, including performances at BBC Maida Vale Studios with the BBC Symphony Orchestra and BBC Concert Orchestra

Bach's *St John Passion*, in collaboration with English Touring Opera

The world premiere performance of Mark Lockheart's *Brave World* at the London Jazz Festival

A double bill jazz performance at Ronnie Scott's

Centenary celebrations of Thelonius Monk at leading London venues

Our annual Musical Theatre Agents' Showcase at the Ambassadors Theatre

A series of piano festivals and concert series around the themes of "Schumann", "Conversations" and "Music and Art"

Our Gold Medal Showcase at Kings Place, judged by Colin Currie

An internationally focused CoLab festival, encompassing the Association of European Conservatoires Pop and Jazz Platform and featuring guest mentors from around Europe

A series of engaging schools' orchestral concerts

A national and international tour from Transitions Dance Company, featuring new work by Cristian Duarte, Oded Ronen and Charles Linehan

New and touring productions in the Laban Theatre, including Alexander Whitley, Company Wayne McGregor, Phoenix Dance Theatre, Botis Seva, Hagit Yakira Dance, Company Chameleon, Rosie Kay Dance Company

An Easter tour from the Trinity Laban Old Royal Naval College Chapel Choir, singing at some of the UK's most important cathedrals and churches

A performance by the Trinity Laban Chamber Choir at the Brandenburg Choral Festival

Our first ever Percussion Day, including a performance on the Greenwich Mean Time open air stage

Student performances in the Laban Theatre including Historical Project, featuring work by Merce Cunningham,

Martha Graham, Dore Heyer and Hofesh Schechter plus a re-imagining of a lost Rudolf Laban work by Alison Curtis-Jones

Martin André conducting our Symphony Orchestra at Cadogan Hall

A large-scale performance at the Horniman Museum's Family Day

A two-week musical theatre residency at Stratford Circus, featuring the shows *Urinetown* and *Made in Dagenham*

An acclaimed production of Monteverdi's opera *L'Incoronazione di Poppea* at Blackheath Halls

New commissioned works for third year contemporary dance students by choreographers including Zoi Dimitriou, Lizzi Kew Ross, Stephanie Schober, Jessica Wright, Marina Collard, Ben Wright, Maciej Kuzminski and Eleven Farrer House



Advancing our art forms through research and scholarship

Trinity Laban continues to nurture a rich research culture which informs our teaching activity, underpins our support for the music and dance professions, and develops original creative approaches that push the boundaries of our art forms. This was evident in 2016-2017 in a wide range of research projects, events and publications:

Following a successful funding bid to the Arts and Humanities Research Board, the facade of the Laban Building was re-created as a performance time-based sculpture by artist Wolfgang Weileder (Professor of Contemporary Sculpture, University of Newcastle) in collaboration with Charles Linehan (Reader in Choreography, Trinity Laban) and Jonathan Owen Clark (Head of Research, Trinity Laban). Through a process of simultaneous construction and deconstruction, the 40m long facade appeared section by section as the structure slowly moved across Montgomery Square at Canary Wharf until it was completed, each section only visible for a single day over the two-week project period. This process was recorded using time-lapse video and long exposure photography. As part of the project, Trinity Laban dance students created a series of performances in response to the work.

Many seminars, performances and events contributed to the thriving research culture at Trinity Laban, involving a number of distinguished visiting researchers as well as the Conservatoire's research staff and students, and making cutting edge developments in our art forms accessible to the general public. The 2016-2017 Research Seminar series included the second Opera and Politics symposium at Trinity Laban, which examined the connection between anarchy and the singing voice through presentations on aesthetics, philosophy, education and artistic practice by contributors such as composer Roger Redgate (Goldsmiths, University of London) and writer Tessa McWatt (University of East London). Other sessions saw presentations from Owen Underhill (Simon Fraser University, Canada) on music and dance collaboration, Emile Bosejen (University of Winchester) on A Philosophical History of Education, and independent artist Leah Gordon on the multifarious links between Vodou and art, in Haiti's art history and current contemporary practice.

Our cohort of 19 Research Degree students pursued a wide range of research topics across our specialisms of composition, choreography, sound-art, music and dance performance, performance science and collaborative practice. The PARALLAX series, which showcases the

creative practice of Trinity Laban research students and staff, reached its eighth iteration in 2016-17. It took the theme of 'Difference and Repetition', after the title of Gilles Deleuze's famous thesis, and presented new and recent works across the Faculties of Dance and Music, including live performances, installations, improvisations and multi-media projections

Staff highlights

Dr Valerie Preston-Dunlop published her autobiography Moving With The Times

Charles Linehan created a new work for Transitions Dance Company, and his film The Shadow Drone Project was premiered at the Lincoln Center, New York

Laura Jurd received enormous acclaim and for album Dinosaur, performing alongside alumni Elliot Galvin, Corrie Dick and Conor Chaplin

Numerous members of Dance Science staff presented at the IADMS Conference, Hong Kong

Double bass professor Chi-chi Nwanoku was announced as Black British Business Person of 2016 at this year's Black British Business Awards

Mark Lockheart's new work Brave World was performed by Trinity Laban students at the London Jazz Festival

Teaching professors Deniz Arman Gelenbe, Michael Bochmann, Rivka Golani and Joan Enric Lluna performed in the Mozart Focus Series at St John's Smith Square

Development and fundraising

Philanthropic support from both public and private sources, remains crucially important to Trinity Laban. The aim of the Development and Fundraising Team is to simultaneously build on the success of existing relationships forged with individuals and foundations for repeat and increased levels of gifts, whilst cultivating and engaging those individuals and foundations who are new to our work and the experiences we offer. Our Royal patron graciously launched the first patron scheme for Trinity Laban. We also launched a legacy strategy to plan for the future.

Fundraising for scholarships - to support those who may otherwise be unable to embark on or sustain their studies with us - remains a key priority. We are immensely grateful to all our friends and new supporters who generously donate to our scholarship fund. We have seen a 43% increase in funds raised this year for scholarships and bursaries. Alongside this, fundraising

for our world-class estates is crucially important, to ensure that we have buildings that are fit for purpose. With this in mind, we would particularly like to express thanks to Richard Carne and Cathy Mackerras, who have both generously provided support for chamber music rooms at King Charles Court over the past year in addition to the others areas they support at Trinity Laban.

We remain particularly indebted to Trinity College London for the outstanding generosity, which they continue to provide through the Trinity College of Music Trust, and to the Laban Centre for Movement and Dance Endowment Fund.

Continued thanks are due to The Leverhulme Trust for its extensive support across music and dance, and to The Wolfson Foundation for its support to both senior and junior music students.

We are also especially grateful to:

- The Carne Trust, for providing ongoing generous support towards engaging Visiting Artists and its support of emerging artists, through the Junior Fellowship Programme.
- The Stavros Niarchos Foundation, for providing new scholarship support to Greek students wishing to study at Trinity Laban, over a three year period.
- The Mercers' Company, for providing scholarships for our MA Dance Performance Students over a five year period.
- Mr and Mrs John Crompton, for providing a vocal scholarship over a two year period. We are delighted that Mr Crompton has taken up the volunteer position of Chair of the new development board to galvanise our fundraising efforts.

We are equally grateful to Alumna, Joan Seymour, for her very generous bequest to Trinity Laban. Joan studied Voice at the then Trinity College of Music, graduating in 1951. She went on to have a career as a Soprano. Joan sadly passed away in January 2017.

As always, we are most grateful to the trusts and individuals who will be acknowledged formally in our literature and website; their gifts have made a crucial difference and all are deeply appreciated.

Special tributes

The Conservatoire offers its sincere appreciation to three retiring independent governors, Esther Cavett, David Edmonds and Francesca Robinson, each of whom brought outstanding dedication, expertise and ability to their service which embraced a number of formal roles as well as advice and assistance to senior management on a range of major initiatives. It also extends its thanks to the outgoing Student Union members, Lauren McKillop and Verity Bramson, for their invaluable contributions within and outside of Board meetings over the past year.

Finally, the Board wishes to acknowledge the exceptional contribution of its outgoing Chair, Lord Lipsey, who retired at the conclusion of his four-year term in July 2017. David Lipsey led the Institution to significant achievements during his tenure, including successful first entry to the Research Excellence Framework and the acquisition of taught-degree awarding powers. His political insight and advocacy, not only for Trinity Laban but for the wider conservatoire sector, was critical during a period when the regulation and funding of higher education was at the centre of national debate. His warm interest and support for the endeavours of Trinity Laban students will be remembered by many. He leaves a strong foundation for further advances to be made by his distinguished successor, the Right Honourable Harriet Harman QC MP.

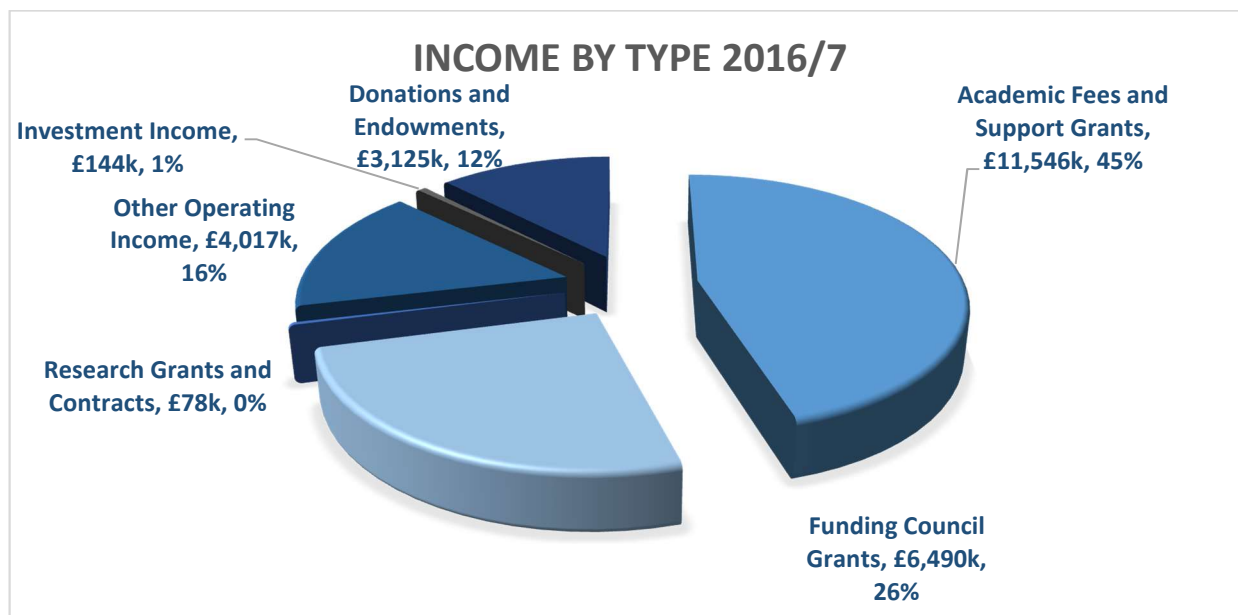
Financial review

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.

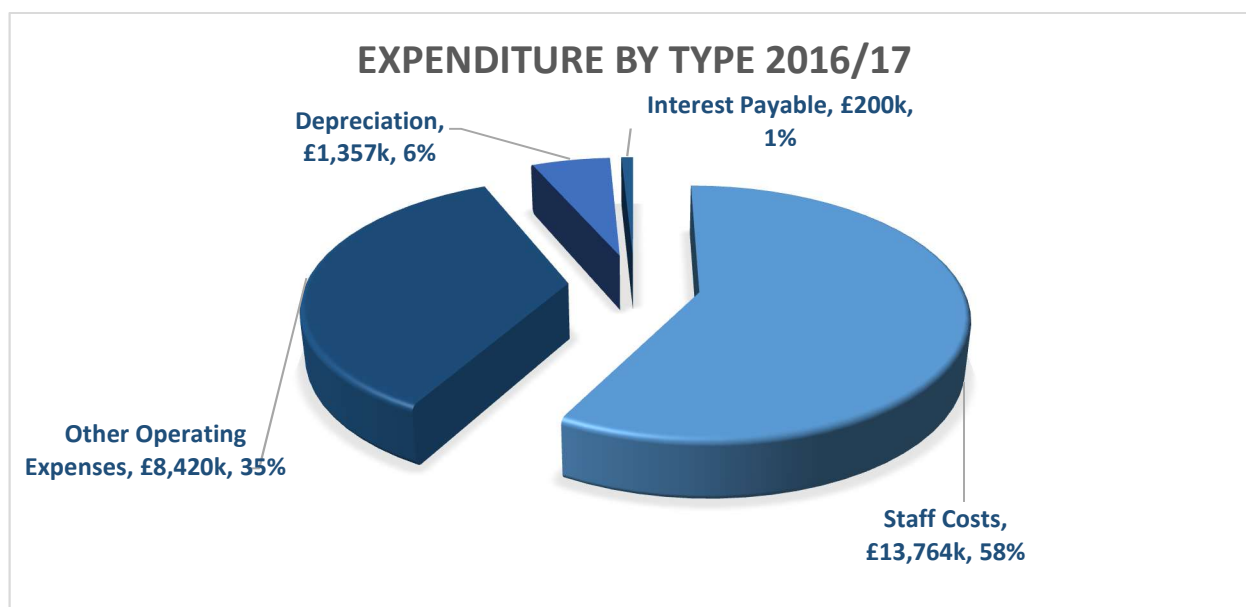
The table below, which summarises the financial results of the Conservatoire, shows a welcome improvement in overall financial performance in 2016-17. Continued income growth coupled with rigorous control of expenditure has contributed to an increase in operating surplus from £42k in 2015-16 to £1.7m in 2016-17. However, changes in pension charges have been a major factor in the improvement in the Conservatoire's statement of comprehensive income and expenditure in 2016-17, leading to an overall surplus of £2.8m. It is worth noting that if pension adjustments, which can vary significantly annually, are excluded, the Conservatoire would have reported a surplus of £1.7m in 2016-17 and £0.4m in 2015-16.

	2016-17	2015-16
	£000s	£000s
Income	25,400	24,125
Expenditure (excluding Pension adj.)	24,305	23,951
Pension Adjustments	(564)	132
Total Expenditure	23,741	24,083
Operating Surplus	1,659	42
Loss on Disposal of Fixed assets	(15)	(31)
Gain on Investments	589	264
Surplus before tax	2,233	275
Taxation	(6)	(12)
Surplus after tax	2,227	263
Actuarial Gains/(Losses) in respect of Pension Schemes	583	(1,633)
Total Comprehensive Income/(Expenditure)	2,810	(1,370)
Surplus Excl. Pension Adjustments	1,663	395

Total income for the year increased by more than inflation, at 5.3%, to £25.4m (2015-16, £24.1m). 4.4% of this increase was accounted for by a rise in donations partly resulting from the recognition of a bequest from an alumna, Joan Seymour, as well as funding to support the refurbishment of the Conservatoire's subsidiary Blackheath Halls. In addition, 1.5% of the increase in income was caused by a rise in tuition fee income as the number of enrolled students grew. These gains were partly offset by a previously announced reduction in funding body grants (representing 0.6% of the total change).



Total expenditure decreased by 1.4% to £23.7m from the previous year, [£24.1m]. An important contributor to the reductions was a decrease in staff costs of £81k (representing 0.3% of the total). The staff cost decrease was mainly caused by the reduction in the USS pension charge which was a net credit of £505k in 2016-17 (as against a charge of £291k in 2015-16). If FRS102 pension adjustments are excluded, staff costs increased by just over 4.5%, compared to the previous year, as a consequence of the nationally agreed pay award of 1.1%, incremental drift plus the impact of a greater proportion of staff joining the Conservatoire's occupational pension schemes following an auto enrolment exercise. As part of the effort to reduce the Conservatoire's cost base expenditure on restructuring also grew from a relatively modest £43k in 2015-16 to £155k in 2016-17. Furthermore, there was a small increase in the number of staff engaged as new programmes of study came on stream and the Conservatoire's investment in marketing grew. Trinity Laban remains focused on cost control and unavoidable cost increases were partly offset by economies identified during 2016-17, which kept the overall rise in staff costs to below 5%. The reduction in other operating expenditure, (representing 0.8% of the total), partially reflects lower expenditure on estates related costs of £134k caused by, amongst other things, lower expenditure on utilities. In addition, a planned reduction in the number of items leased contributed to a decline in miscellaneous expenditure. However, an increase in expenditure on general education non-pay of £93k in response to more activity by our Junior Trinity and Learning and Participation departments partly offsets other non-pay reductions.



Endowment assets and investment performance

The Finance and General Purposes committee monitors the performance of the Conservatoire's 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;
- 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 are invested, within a balanced portfolio, subject to a low to medium degree of risk;
- To benchmark the gross and net performance of the investments against recognised indices.

The Finance and General Purposes 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 £4.6m in 2015-16 to £5.2m in 2016-17. A total return, including dividend income, of 16% of assets invested was achieved in 2016-17 (9% in 2015-16).

The Conservatoire received new endowments totalling £279k which, together with strong investment performance, contributed to an increase in the total from £6.0m in 2015-16 to £6.8m in 2016-17. The improvement in 2016-17 builds on the previous year where funds grew by £383k.

Additions to fixed assets

Additions to buildings amounted to £0.4m, comprising equipment of £0.3m and musical instruments of £0.1m as set out in note 10. The additions to buildings arises from the early phases of a programme of major refurbishment at Blackheath Halls, the wholly owned subsidiary of the Conservatoire, which is used, for amongst other things, Trinity Laban music performances, rehearsal space and a range of community activities.

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 to leave the European Union in the EU referendum held in June 2016. 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 Higher Education Funding Council's 'Institutional Specific Targeted Allocation'. Such funding is critical to 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 forms an important part of the Conservatoire's response to the evident pressure on public funding.

Demographic changes continue to exert upward pressure on pension costs. Higher employer pension contributions have been included in the Conservatoire's financial forecasts to reduce the accumulated pension fund deficits.

Although many staff in the Higher Education sector benefit from automatic pay increments, there are signs of increasing discontent with below inflation national pay awards. The increase of 1.7% agreed in 2017-18 is already a significant break from the recent awards of around 1%. 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.

Other major risks

The Conservatoire maintains a register of key risks, which was subject to a fundamental review in November 2016 in light of significant external developments in the operating environment for UK HEIs. Alongside risks to financial strength and sustainability covered in the financial commentary, the following major risk areas have been identified:

- Risks to academic quality and the student experience
- Reputational risks from poor outcomes in TEF and the National Student Survey
- Student recruitment: failure to achieve appropriate student numbers and profile; failure to maintain the Conservatoire's Tier 4 licence for the recruitment of international students; risk to EU recruitment, post-Brexit
- Estates and IT risks: failure to plan, maintain and enhance appropriate facilities and infrastructure
- Lack of staff engagement with research, scholarship and professional practice
- Risks associated with breaches of safeguarding policy and procedures
- Breaches of the Consumer Protection Act

Under the Conservatoire's Risk Management Framework and procedure, the Key Risk Register is reviewed and revised by senior management twice a year and is then presented successively to the Risk Management Group, Audit Committee and Board of Governors. The Key Risk report includes a movement map depicting changes in risk scores since the last report with a commentary on main factors underlying those movements. Key risks are assessed in relation to their impact, likelihood and associated level of risk appetite and are also aligned to institutional strategic aims, as set out in the Strategic Plan.

During 2016-2017, the areas of highest risk were student recruitment and student engagement and feedback. Mitigating action plans were put in place for those risks assessed to be at the highest level. The Board and management continue to maintain close oversight of the overall risk profile of the Conservatoire in a volatile external environment

Key performance indicators

Trinity Laban monitors, evaluates and reports the achievement of the Conservatoire against its Strategic Plan in a number of ways which, at the level of the Board of Governors, includes regular review of Key Performance Indicators (KPIs). 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. The configuration of the headline KPIs and underlying measures has been adapted in response to the development of the Institutional Strategy, reviews of the framework by Board and senior management, and emerging external requirements such as the HEFCE annual sustainability assessment. For 2016-17, there were 12 headline KPIs, underpinned by 27 data measures, covering student recruitment, achievement and satisfaction, research and knowledge exchange, human resources, estates and finance.

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;
- Enable timely identification of performance issues and risks to the achievement of high-level strategic and operational objectives.

Equality and diversity policy statement

Trinity Laban Conservatoire of Music and Dance 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 will aim to ensure that:

- Individuals are treated fairly, with dignity and respect regardless of their sex, race, disability, sexual orientation, religion or belief and age;
- Everyone is given the opportunity to fulfil their potential;
- It promotes an inclusive and supportive environment for staff, students and visitors;
- 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.

This Policy is wholly supported by Trinity Laban's Board of Governors and Senior Management Team and has been agreed following consultation with our recognised Trade Unions. Trinity Laban is committed to monitoring the impact and effectiveness of this Policy to assess whether any discrimination is occurring and, if appropriate, act to ensure it is eliminated.

An Equality, Diversity and Access (EDA) Committee meets each term to advance and monitor progression towards policy objectives and a new Equality and Diversity working group has been set up to look at reviewing and updating policy and practice.

People

Trinity Laban has embarked on a HR service improvement drive. Work progresses positively to invest in and improve HR services and people management practices.

Ongoing support and investment in people at Trinity Laban continues to maintain and enhance working environments in which staff are motivated, encouraged and engaged.

As a new corporate strategy is developed, work will advance to develop a new People Strategy aligned to and supporting the delivery of Trinity Laban strategic objectives.

The Joint Negotiating and Consultative Committee, with Union Representation, is the formal consultative body to address specific decisions which are likely to directly affect staff interests.

Future Plans

The Conservatoire benefits from having a relatively high number of applications from potential students for each available place, however, ever conscious of the need to maintain the highest quality, a number of initiatives are in place to encourage more applications. During 2017-18 additional expenditure has been agreed for new promotional activity building on recent investments in marketing and student recruitment. There will be increased presence in markets with growth potential, and initiatives, for example, a redesign of the Conservatoire's website, to raise our profile. More and better targeted recruitment action is planned. We held the first ever Hong Kong music auditions in March 2016 and plan to increase the number of auditions held overseas in 2017-18, concentrating on markets where there is felt to be untapped potential for a growth in recruitment.

Two years ago (2015-16), the Conservatoire gained taught degree awarding powers, one of the principal objectives of the current Strategic Plan. New programmes launched soon after the receipt of degree awarding powers are now recruiting well. In particular, our new foundation programme in musical theatre, in its second year, has proved particularly attractive with significantly more students enrolled. Overall student recruitment in 2017-18 was ahead of that achieved in the previous year.

The Conservatoire intends to grow in the medium term. A key plank of the growth strategy will be work which aims to continue to capitalise on the success in obtaining taught degree awarding powers by updating existing provision and adding to our portfolio of programmes. The planned changes to the Conservatoire's academic provision will compliment other initiatives bound by the underlying goal of trying to meet the demands and aspirations of existing and potential students whilst remaining true to our traditions of fostering creativity, innovation and challenge.

The Conservatoire is proud of its record in widening participation and community engagement, which is core to its mission. In addition to our Higher Education provision a number of programmes are run for participants of all ages and backgrounds in both the Music and Dance faculties. During 2016-17, the Faculty of Music gained approval for a new plan to increase the services provided by the Junior Trinity team and it is expected that, over the course of the next five years, it will be possible to expand the opportunity for aspiring young musicians to benefit from the expertise and facilities of Trinity Laban.

Along with other HEIs the Conservatoire has a rolling programme of capital works funded from a mixture of internal resources, borrowing, philanthropic donations and capital grants from the Higher Education Funding Council for England (HEFCE). In addition to the regular improvements planned for the Trinity Laban estate, it is worth noting that the Conservatoire has recently benefitted from the Hearn Foundation's generous award of approaching £2m that will support

further extensive upgrades to Blackheath Halls over the next two to three years. The gift supplements an award of £0.5m by the Arts Council for England to improve the grade II listed Halls. The donation from the Hearn Foundation, together with Arts Council funding, supports our vision to transform the Halls, enhancing their flexibility and creative potential as a performance venue serving the needs of students, artists, audiences, and our local community.

The current Strategic Plan takes the Conservatoire to 2019, however, given the rapidly changing environment, not least the recent vote by the United Kingdom to leave the European Union, a decision was taken to consult extensively on a new plan during 2016-17 for details to be finalised during 2017-18. The new Strategic Plan will provide the framework for meeting current and future challenges and taking advantage of opportunities in the medium term.

Approved on behalf of the Board on **23 November 2017** and signed on its behalf by:

Harriet Harman

The Rt Hon Harriet Harman QC MP

Chair of Governors

Corporate Governance and Management

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 regulated by the Higher Education Funding Council for England (HEFCE) in its capacity as Principal Regulator. 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.

The Governors are Directors of the Company and Trustees of the Registered Charity as provided under the Charities Act 2011. The Board confirms, that, through the submission of the annual report and audited financial statements for the year ended 31 July 2017, it has complied with the duty in the Charities Act 2011 to have due regard to the general guidance on public benefit.

Public benefit is provided through the educational provision at Higher Education and pre-Higher Education levels; widening participation, community engagement and outreach activities and through the development of the art forms and performances.

Trinity Laban aligns its practices to the guidance of the UK Corporate Governance Code (formerly the Combined Code on Corporate Governance) so far as it relates to Higher Education institutions; the reports of the Committee on Standards in Public Life, and the Code of the UK Committee of University Chairs (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.

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 a Risk 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 HEFCE.

The Institution maintains public information on governance arrangements through its web site.

The corporate governance procedures, structures and risk management processes described in this section have been in place throughout the year ended 31 July 2017, 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 HEFCE Memorandum of assurance and accountability (July 2017), 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.

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 HEFCE 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 that funds from the HEFCE and other funding bodies are used only for the purposes for which they have been given and in accordance with the HEFCE memorandum of assurance and accountability (July 2017) and any other conditions which the Funding Council may from time to time prescribe;
- ensure that there are appropriate financial management controls in place to safeguard public funds and funds from other sources;
- ensure that the Conservatoire has a robust and comprehensive system of risk management, control and corporate governance, which includes the prevention and detection of corruption, fraud, bribery and irregularities; and
- secure the economic, efficient and effective management of the Conservatoire's and the Group's resources and expenditure.

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 the Conservatoire's auditor is unaware; and
- the Governors have taken all the steps that they ought to have taken Governors 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 2. The Governors are directors for the purpose of company law and trustees for the purpose of charity law.

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.

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;
- 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 Memorandum of Assurance and Accountability with the Higher Education Funding Council for 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 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

Committee, the Audit, Nominations and HR & 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 and Company Secretary and 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 2016/17.

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. This process accords with HEFCE guidance.

Risk management

The following processes have been established as regards risk management:

- A risk management policy and strategy have been adopted;
- 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 Risk Management Group makes regular reports to the Executive and the Audit Committee which provides advice to the Board on the effectiveness of the establishment and implementation of risk management;
- 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.

Data quality

The Conservatoire operates with regard to the guidance of HEFCE and the Audit Commission on the management of data. There is an approved 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. The Audit Committee oversees the adequacy and effectiveness of the Conservatoire's arrangements for the management and assurance of data submitted to HEFCE, 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 Higher Education Funding Council for 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 Funding Council and any other conditions which the Funding Council 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.

HEFCE assurance audit

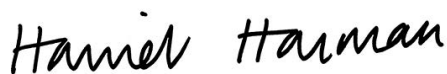
HEFCE conducted an Assurance Audit in 2015, resulting in a positive conclusion.

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, Grant Thornton UK 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 **23 November 2017** and signed on its behalf by:



The Rt Hon Harriet Harman QC MP
Chair of Governors



Professor Anthony Bowne
Principal

Independent auditor's report to the Board of Governors of Trinity Laban Conservatoire of Music and Dance

Opinion

We have audited the financial statements of Trinity Laban Conservatoire of Music and Dance (the 'parent') and its subsidiaries (the 'group') for the year ended 31 July 2017 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 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 the parent's affairs as at 31 July 2017 and of the group's and the parent's surplus, and its income and expenditure, gains and losses, changes in reserves and the group's and parent's cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and the Statement of Recommended Practice: Accounting for Further and Higher Education published in March 2014; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We have been appointed as auditor under the Companies Act 2006 and the Education Reform Act 1988 and report in accordance with regulations made under those Acts. 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 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.

Who we are reporting to

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

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 where:

- 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 parent 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 Board of Governors are responsible for the other information. The other information comprises the information included in the Report of the Governors set out on pages 3 to 18 other than the financial statements and our auditor's report thereon. 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 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.

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 has been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

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

Opinion on other matters prescribed by HEFCE's Memorandum of assurance and accountability dated July 2017

In our opinion, in all material respects:

- funds from whatever source administered by the parent Conservatoire for specific purposes have been properly applied to those purposes and managed in accordance with the relevant legislation;
- funds provided by HEFCE have been applied in accordance with the Memorandum of assurance and accountability and any other terms and conditions attached to them; and
- the requirements of HEFCE's accounts direction have been met.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the parent Conservatoire, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Conservatoire financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of the Board of Governors' 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 for the financial statements

As explained more fully in the Statement of responsibilities of the Board of Governors set out pages 19 to 23, the Board of Governors (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the 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's and the parent 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 parent 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.



Jennifer Brown

Senior Statutory Auditor

for and on behalf of Grant Thornton UK LLP

Statutory Auditor, Chartered Accountants

London

30 November 2017

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 2015 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, 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 the UK. 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 2017. Further details of the subsidiary undertakings are disclosed in the Notes to the Accounts. A separate income and expenditure account for Trinity Laban has not been presented as permitted by section 408 of the Companies Act 2006.

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.

STATEMENT OF PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

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 which is not a discount and credited to the Consolidated and Conservatoire Statement of Income and Comprehensive Expenditure over the period in which students are studying. Where the amount of the tuition fee is reduced, by a discount for prompt payment, income receivable is shown net of the discount. Bursaries and scholarships are accounted for gross as expenditure and not deducted from income.

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 income and expenditure of the Conservatoire 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 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 other restrictions 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 (TCMPAS) 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 TCMPAS) using, respectively, the prospective benefits method and the projected unit method.

STATEMENT OF PRINCIPAL ACCOUNTING POLICIES (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 income statement over a member of staff's contract of employment.

Defined Benefit Plan

Defined benefit plans are any post-employment benefit plans that are not defined contribution plans. 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. Land, that had been revalued to fair value on or prior to the date of transition to the 2015 HE SORP, is measured on the basis of deemed cost, being the revalued amount at the date of that revaluation.

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. Depreciation is provided at rates estimated to write off the costs by equal annual instalments over their anticipated useful economic lives, as follows:

Freehold buildings	50 years
Freehold land	Not depreciated
Alterations and building improvements	20 years
Leasehold land and buildings	Amortised over the remaining term of the lease by equal
Leasehold improvements	Amortised over the lesser of the remaining term of the lease or 50 years by equal instalments

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.

STATEMENT OF PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

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 £500 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 £500 are written off to the income and expenditure account in the year of acquisition. All other purchased musical instruments are capitalised at cost.

Donated musical instruments with a value of £500 and above have been incorporated at valuation following an assessment by Webb Valuations, an external professional valuation expert, in conjunction with Malcolm Tysoe, 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.

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 amortised cost less impairment.

Current asset investments are held at fair value with movements recognised in the Surplus or Deficit.

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 24 hours 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.

STATEMENT OF PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

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 potentially exempt charity from taxation in respect of income or capital gains and is covered within the meaning of Part 3 of the Charities Act 2011. It is therefore a charity within the meaning of Paragraph 1 of schedule 6 to the Finance Act 2010 and accordingly, the Conservatoire is potentially exempt from taxation in respect of income or capital gains received within categories covered by section 478-488 of the Corporation Tax Act 2010 (CTA 2010) or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied to exclusively charitable purposes. The Conservatoire receives no similar exemption in respect of Value Added Tax. Irrecoverable VAT on inputs is included in the costs of such inputs. Any irrecoverable VAT allocated to fixed assets is included in their cost. The Conservatoire's subsidiaries are liable to Corporation Tax in the same way as any other commercial organisation.

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.

CONSOLIDATED AND CONSERVATOIRE STATEMENT OF COMPREHENSIVE INCOME AND EXPENDITURE
for the year ended 31 July 2017

	Note	Group 2017 £	Trinity Laban 2017 £	Group 2016 £	Trinity Laban 2016 £
Income					
Tuition fees and education contracts	1	11,545,922	11,545,922	11,174,594	11,174,594
Funding body grants	2	6,489,901	6,489,901	6,622,108	6,622,108
Research grants and contracts	3	77,568	77,568	71,692	71,692
Other income	4	4,017,241	3,638,867	4,058,341	3,568,942
Investment income	5	143,750	143,731	130,784	130,784
Total income before endowments and donations		22,274,382	21,895,989	22,057,519	21,568,120
Donations and endowments	6	3,125,126	2,637,341	2,067,588	1,946,103
Total income		25,399,508	24,533,330	24,125,107	23,514,223
Expenditure					
Staff costs	7	13,763,781	13,414,701	13,844,848	13,516,676
Other operating expenses	9	8,420,034	8,309,041	8,616,874	8,469,315
Depreciation	10	1,356,581	1,315,371	1,435,616	1,401,835
Interest and other finance costs	8	200,295	193,639	185,483	177,022
Total expenditure		23,740,691	23,232,752	24,082,821	23,564,848
Surplus/(deficit) before other gains and losses		1,658,817	1,300,578	42,286	(50,625)
Loss on disposal of fixed assets		(15,387)	(15,387)	(31,046)	(31,046)
Gain on investments		589,173	589,173	264,193	264,193
Surplus before tax		2,232,603	1,874,364	275,433	182,522
Taxation		(5,760)	-	(12,620)	-
Surplus for the year		2,226,843	1,874,364	262,813	182,522
Actuarial Gain/ (loss) in respect of pension schemes		583,000	583,000	(1,633,000)	(1,633,000)
Total comprehensive income/ (expenditure) for the year		2,809,843	2,457,364	(1,370,187)	(1,450,478)
Represented by:					
Endowment comprehensive income for the year		746,687	746,687	383,196	383,196
Restricted comprehensive income for the year		(27,479)	(345,785)	(558,750)	(557,257)
Unrestricted comprehensive income for the year		2,098,926	2,056,462	(1,186,341)	(1,276,417)
Revaluation reserve comprehensive income for the year		(8,291)	-	(8,292)	-
		2,809,843	2,457,364	(1,370,187)	(1,450,478)

All items of income and expenditure relate to continuing activities.

The notes on pages 36 to 54 form part of the financial statements

CONSOLIDATED AND CONSERVATOIRE STATEMENT OF CHANGES IN RESERVES

for the year ended 31 July 2017

Group	Income and expenditure account			Revaluation reserve £	Total £
	Endowment £	Restricted £	Unrestricted £		
Balance at 1 August 2015	5,642,713	8,168,306	3,925,528	6,361,770	24,098,317
Surplus/(deficit) from the income and expenditure statement	653,235	-	(2,712,574)	-	(2,059,339)
Other comprehensive income	-	689,152	-	-	689,152
Transfers between revaluation and income and expenditure reserve	-	-	8,292	(8,292)	-
Release of restricted funds spent in year	(270,039)	(1,247,902)	1,517,941	-	-
Total comprehensive income(expenditure) for the year	383,196	(558,750)	(1,186,341)	(8,292)	(1,370,187)
Balance at 1 August 2016	6,025,909	7,609,556	2,739,187	6,353,478	22,728,130
Surplus/(deficit) from the income and expenditure statement	1,020,560	-	581,224	-	1,601,784
Other comprehensive income	-	1,208,059	-	-	1,208,059
Transfers between revaluation and income and expenditure reserve	-	-	8,291	(8,291)	-
Release of restricted funds spent in year	(273,873)	(1,235,538)	1,509,411	-	-
Total comprehensive income/(expenditure) for the year	746,687	(27,479)	2,098,926	(8,291)	2,809,843
Tax relief on gift aid	-	-	-	-	-
Balance at 31 July 2017	6,772,596	7,582,077	4,838,113	6,345,187	25,537,973

Trinity Laban	Income and expenditure account			Revaluation reserve £	Total £
	Endowment £	Restricted £	Unrestricted £		
Balance at 1 August 2015	5,642,713	7,710,688	4,117,853	4,968,750	22,440,004
Surplus/(deficit) from the income and expenditure statement	653,235	-	(2,683,848)	-	(2,030,613)
Other comprehensive income	-	580,135	-	-	580,135
Release of restricted funds spent in year	(270,039)	(1,137,392)	1,407,431	-	-
Total comprehensive income/(expenditure) for the year	383,196	(557,257)	(1,276,417)	-	(1,450,478)
Balance at 1 August 2016	6,025,909	7,153,431	2,841,436	4,968,750	20,989,526
Surplus/(deficit) from the income and expenditure statement	1,020,560	-	705,739	-	1,726,299
Other comprehensive income	-	731,065	-	-	731,065
Release of restricted funds spent in year	(273,873)	(1,076,850)	1,350,723	-	-
Total comprehensive income/(expenditure) for the year	746,687	(345,785)	2,056,462	-	2,457,364
Balance at 31 July 2017	6,772,596	6,807,646	4,897,898	4,968,750	23,446,890

The notes on pages 36 to 54 form part of the financial statements.

CONSOLIDATED AND CONSERVATOIRE BALANCE SHEETS
for the year ended 31 July 2017

	Note	Group 2017 £	Trinity Laban 2017 £	Group 2016 £	Trinity Laban 2016 £
Non Current Assets					
Fixed assets	10	39,367,536	36,075,410	39,858,004	37,124,928
Investments	11	5,226,851	5,226,851	4,643,432	4,643,432
		<u>44,594,387</u>	<u>41,302,261</u>	<u>44,501,436</u>	<u>41,768,360</u>
Current assets					
Stock	12	8,524	1,311	6,081	1,378
Trade and other receivables	13	1,125,557	2,156,424	811,793	1,557,422
Cash and cash equivalents	19	3,101,118	3,037,258	2,566,378	2,561,844
		<u>4,235,199</u>	<u>5,194,993</u>	<u>3,384,252</u>	<u>4,120,644</u>
Less Creditors: amounts falling due within one year	14	(4,463,868)	(4,222,619)	(4,564,316)	(4,306,236)
		<u>(228,669)</u>	<u>972,374</u>	<u>(1,180,064)</u>	<u>(185,592)</u>
Net current assets (liabilities)					
Total assets less current liabilities		<u>44,365,718</u>	<u>42,274,635</u>	<u>43,321,372</u>	<u>41,582,768</u>
Creditors: amounts falling due after more than one year	15	(14,597,387)	(14,597,387)	(15,216,408)	(15,216,408)
Provisions					
Pension provisions	16	(4,230,358)	(4,230,358)	(5,376,834)	(5,376,834)
		<u>(4,230,358)</u>	<u>(4,230,358)</u>	<u>(5,376,834)</u>	<u>(5,376,834)</u>
Total net assets		<u><u>25,537,973</u></u>	<u><u>23,446,890</u></u>	<u><u>22,728,130</u></u>	<u><u>20,989,526</u></u>
Restricted reserves					
Income and expenditure reserve - endowment reserve	17	6,772,596	6,772,596	6,025,909	6,025,909
Income and expenditure reserve - restricted reserve	18	7,582,076	6,807,646	7,609,556	7,153,431
Unrestricted reserves					
Income and expenditure reserve - unrestricted		4,838,114	4,897,898	2,739,187	2,841,436
Revaluation reserve		6,345,187	4,968,750	6,353,478	4,968,750
		<u>11,183,301</u>	<u>9,866,648</u>	<u>9,092,665</u>	<u>7,810,186</u>
Total reserves		<u><u>25,537,973</u></u>	<u><u>23,446,890</u></u>	<u><u>22,728,130</u></u>	<u><u>20,989,526</u></u>

The financial statements were approved by the Board on 23 November 2017 and signed and authorised for issue on its behalf by:

Harriet Harman

The Rt Hon Harriet Harman QC MP
Chair of Governors

Anthony Bowne

Professor Anthony Bowne
Principal

Company registration no. 51090

The notes on pages 36 to 54 form part of the financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 31 July 2017

	Note	2017 £	2016 £
Cash flow from operating activities			
Surplus/ (deficit) for the year		2,226,843	262,813
Adjustment for non-cash items			
Depreciation	10	1,356,581	1,435,616
Gain on investments	17	(589,172)	(264,193)
Decrease/ (increase) in year end stocks	12	(2,443)	3,610
(Increase)/ decrease in debtors	13	(313,764)	(222,100)
Increase/ (decrease) in creditors	14	(125,211)	182,086
(Decrease)/Increase in pension provision	16	(563,476)	132,048
Adjustment for investing or financing activities			
Investment income	5	(143,750)	(130,784)
Interest payable	8	200,295	185,483
Endowment income	17	(278,677)	(262,481)
Loss on the sale of fixed assets		15,387	31,046
Capital grant income	2, 4	(648,819)	(654,052)
		1,133,794	699,092
Cash flows from investing activities			
Proceeds from sales of fixed assets		-	370
Capital grants receipts		203,878	216,480
Disposal of non-current asset investments	11	439,930	556,012
Investment income	5	143,750	130,784
Payments made to acquire fixed assets	10	(881,501)	(551,924)
New non-current asset investments	11	(434,177)	(506,818)
		(528,120)	(155,096)
Cash flows from financing activities			
Interest paid	8	(200,295)	(185,483)
Endowment cash received	17	278,677	262,481
Repayments of amounts borrowed		(102,611)	(108,710)
		(24,229)	(31,712)
Increase/ (decrease) in cash and cash equivalents in the year		581,445	512,284
Cash and cash equivalents at beginning of the year	19	2,519,673	2,007,389
Cash and cash equivalents at end of the year	19	3,101,118	2,519,673

The notes on pages 36 to 54 form part of the financial statements

NOTES TO THE FINANCIAL STATEMENTS

1 TUITION FEES AND EDUCATION CONTRACTS

Note	Group 2017 £	Trinity Laban 2017 £	Group 2016 £	Trinity Laban 2016 £
Higher education				
Full time undergraduate home/EU fees	6,072,697	6,072,697	5,857,018	5,857,018
Full time postgraduate home/EU fees	860,862	860,862	572,835	572,835
Part time home/EU fees	545,079	545,079	663,985	663,985
Overseas fees	1,477,013	1,477,013	1,518,000	1,518,000
Research fees	53,167	53,167	73,233	73,233
Other fees and support grants	2,537,104	2,537,104	2,489,523	2,489,523
	<u>11,545,922</u>	<u>11,545,922</u>	<u>11,174,594</u>	<u>11,174,594</u>

2 FUNDING BODY GRANTS

	Group 2017 £	Trinity Laban 2017 £	Group 2016 £	Trinity Laban 2016 £
Recurrent grants				
HEFCE teaching grant	5,567,584	5,567,584	5,755,304	5,755,304
Specific grants				
HEFCE HEIF	383,863	383,863	398,002	398,002
HEFCE Research	263,806	263,806	259,364	259,364
HEFCE disability	85,925	85,925	29,959	29,959
HEFCE other revenue grants	-	-	22,203	22,203
HEFCE capital grant	188,723	188,723	157,276	157,276
	<u>6,489,901</u>	<u>6,489,901</u>	<u>6,622,108</u>	<u>6,622,108</u>

3 RESEARCH GRANTS AND CONTRACTS

	Group 2017 £	Trinity Laban 2017 £	Group 2016 £	Trinity Laban 2016 £
UK based charities	77,568	77,568	71,692	71,692
	<u>77,568</u>	<u>77,568</u>	<u>71,692</u>	<u>71,692</u>

4 OTHER INCOME

	Group 2017 £	Trinity Laban 2017 £	Group 2016 £	Trinity Laban 2016 £
Other services rendered	162,051	159,772	163,329	156,031
Residence and catering operations	1,799,534	1,723,499	1,853,604	1,750,312
Other revenue grants	604,788	587,577	638,693	620,560
Other capital grants	460,096	460,096	496,776	492,596
Other income	990,772	707,923	905,939	549,443
	<u>4,017,241</u>	<u>3,638,867</u>	<u>4,058,341</u>	<u>3,568,942</u>

5 INVESTMENT INCOME

	Group 2017 £	Trinity Laban 2017 £	Group 2016 £	Trinity Laban 2016 £
Investment income on endowments	139,733	139,733	126,409	126,409
Other investment income	4,017	3,998	4,375	4,375
	<u>143,750</u>	<u>143,731</u>	<u>130,784</u>	<u>130,784</u>

6 DONATIONS AND ENDOWMENTS

	Note	Group 2017 £	Trinity Laban 2017 £	Group 2016 £	Trinity Laban 2016 £
New endowments	17	278,677	278,677	262,481	262,481
Donations with restrictions	18	1,208,059	731,065	652,472	547,635
Unrestricted donations		1,638,390	1,627,599	1,152,635	1,135,987
Total donations and endowments		3,125,126	2,637,341	2,067,588	1,946,103

7 STAFF COSTS

		Group 2017 £	Trinity Laban 2017 £	Group 2016 £	Trinity Laban 2016 £
Wages, salaries and fees		11,675,645	11,348,324	11,328,270	11,022,698
Social security costs		978,217	964,783	865,473	851,389
Movement on USS provision		(504,676)	(504,676)	291,424	291,424
Other pension costs		1,614,595	1,606,270	1,359,681	1,351,165
		13,763,781	13,414,701	13,844,848	13,516,676

Of the staff costs £323,820 (2016: £328,171) related to The Blackheath Halls.

Remuneration of higher paid staff

The amount of directors' emoluments was £206,787 (2016: £201,400). All payments were in respect of services as members of staff and relate to the relevant period of office. One director (2016: 1) is accruing benefits under defined benefit pension schemes.

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

	Group 2017 £	Trinity Laban 2017 £	Group 2016 £	Trinity Laban 2016 £
Basic salary	177,530	177,530	173,200	173,200
Pension contributions to TPS	29,257	29,257	28,200	28,200
	206,787	206,787	201,400	201,400

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

Staffing number (FTEs)	Group 2017	Trinity Laban 2017	Group 2016	Trinity Laban 2016
Academic	74	74	72	72
Academic support	74	74	73	73
Administrative	66	66	65	65
Blackheath Halls	13	-	15	-
Casual Staff	87	87	81	81
	314	301	306	291

For presentational purposes the 2012 FTEs have been recategorised.

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.

7 STAFF COSTS (continued)

	Group 2017 £	Trinity Laban 2017 £	Group 2016 £	Trinity Laban 2016 £
Key management personnel compensation	663,958	631,582	690,830	635,066

Board Members

No board member has received any remuneration/waived payments from the Group or the Conservatoire during the year (2016 - none). Two board members received £394 in relation to their board membership.

8 INTEREST AND OTHER FINANCE COSTS

	Group 2017 £	Trinity Laban 2017 £	Group 2016 £	Trinity Laban 2016 £
Interest payable	36,046	34,912	40,877	39,277
Bank and credit card charges	47,050	41,528	54,982	48,121
Net charge on pension scheme	117,199	117,199	89,624	89,624
	200,295	193,639	185,483	177,022

9 OTHER OPERATING EXPENSES

	Group 2017 £	Trinity Laban 2017 £	Group 2016 £	Trinity Laban 2016 £
Academic and related expenditure	941,933	845,961	956,637	1,057,970
Academic support services	323,659	323,182	289,065	302,669
Other support services	288,285	286,566	262,732	262,732
Administration and central services	813,573	776,750	714,562	683,769
Auditor's remuneration				
External audit	70,855	59,382	68,202	57,149
Tax compliance services	1,022	-	3,230	-
Other non-audit services	9,029	9,029	14,923	14,923
Internal audit	28,464	28,464	24,663	24,663
General education	529,981	351,705	437,174	275,112
Scholarships, bursaries and prizes	1,551,629	1,551,629	1,602,076	1,602,076
Premises (including service concession cost)	1,653,494	1,550,306	1,787,190	1,694,127
Student accommodation costs	1,346,997	1,346,997	1,377,622	1,377,622
Other expenses	861,113	1,179,069	1,078,798	1,116,504
	8,420,034	8,309,041	8,616,873	8,469,315
Other operating expenses include:				
External auditor's remuneration in respect of audit services	70,855	59,382	68,202	57,149
External auditor's remuneration in respect of non-audit services	8,171	6,649	8,746	5,516
Operating lease rentals				
Land and buildings	288,498	288,498	288,498	288,498
Other	86,509	86,509	125,766	125,766

10 FIXED ASSETS

Group	Freehold land and buildings £	Leasehold Land and Buildings £	Assets in the course of construction £	Fixtures, Fittings and Equipment £	Musical instruments £	Total £
Cost						
At 1 August 2016	38,411,534	12,910,576	59,251	8,924,683	6,263,484	66,569,528
Additions	-	378,242	93,698	307,507	102,054	881,501
Transfers	-	59,251	(59,251)	-	-	-
Disposals	-	-	-	(3,551)	(22,800)	(26,351)
At 31 July 2017	38,411,534	13,348,069	93,698	9,228,639	6,342,738	67,424,678
Depreciation						
At 1 August 2016	12,738,456	4,627,101	-	8,257,306	1,088,661	26,711,524
Charge for year	494,760	250,186	-	234,552	377,083	1,356,581
Transfers	-	-	-	-	-	-
Disposals	-	-	-	(2,012)	(8,951)	(10,963)
At 31 July 2017	13,233,216	4,877,287	-	8,489,846	1,456,793	28,057,142
Net book value						
At 31 July 2017	25,178,318	8,470,782	93,698	738,793	4,885,945	39,367,536
At 1 August 2016	25,673,078	8,283,475	59,251	667,377	5,174,823	39,858,004
Trinity Laban						
	£	£	£	£	£	£
Cost						
At 1 August 2016	35,730,690	12,910,576	-	8,818,027	6,248,914	63,708,207
Additions	-	-	93,698	85,488	102,054	281,240
Disposals	-	-	-	(3,550)	(22,800)	(26,350)
At 31 July 2017	35,730,690	12,910,576	93,698	8,899,965	6,328,168	63,963,097
Depreciation						
At 1 August 2016	12,693,423	4,627,101	-	8,188,381	1,074,374	26,583,279
Charge for year	494,760	222,481	-	221,157	376,973	1,315,371
Disposals	-	-	-	(2,012)	(8,951)	(10,963)
At 31 July 2017	13,188,183	4,849,582	-	8,407,526	1,442,396	27,887,687
Net book value						
At 31 July 2017	22,542,507	8,060,994	93,698	492,439	4,885,772	36,075,410
At 1 August 2016	23,037,267	8,283,475	-	629,646	5,174,540	37,124,928

At 31 July 2017, freehold land and buildings included £5,540,000 (2016 - £5,540,000) in respect of freehold land and is not depreciated.

Endowment assets

Included within freehold land and buildings is £112,000 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.

10 FIXED ASSETS (continued)

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 investments	Fixed asset investments
	2017	2016
	£	£
At 1 August 2016	4,643,432	4,428,433
Additions	434,177	506,818
Disposals	(439,930)	(556,012)
Increase in market value of investments	589,172	264,193
At 31 July 2017	5,226,851	4,643,432

Trinity Laban	Fixed asset investments	Fixed asset investments
	2017	2016
	£	£
At 1 August 2016	4,643,432	4,428,433
Additions	434,177	506,818
Disposals	(439,930)	(556,012)
Increase in market value of investments	589,172	264,193
At 31 July 2017	5,226,851	4,643,432

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

12 STOCK

	Group	Trinity Laban	Group	Trinity Laban
	2017	2017	2016	2016
	£	£	£	£
General consumables	8,524	1,311	6,081	1,378
	8,524	1,311	6,081	1,378

13 TRADE AND OTHER RECEIVABLES

	Group 2017 £	Trinity Laban 2017 £	Group 2016 £	Trinity Laban 2016 £
Amounts falling due within one year:				
Trade receivables	144,021	94,256	189,205	149,110
Other receivables	190,883	191,714	184,221	182,492
Prepayments and accrued income	790,653	770,957	438,367	308,631
Amounts due from subsidiary companies	-	539,497	-	357,189
Amounts falling due greater than one year:				
Amounts due from subsidiary companies	-	560,000	-	560,000
	1,125,557	2,156,424	811,793	1,557,422

Included in amounts due from subsidiary companies is £560,000 (2016 - £560,000), which is due in greater than one year

14 CREDITORS: amounts falling due within one year

	Group 2017 £	Trinity Laban 2017 £	Group 2016 £	Trinity Laban 2016 £
Bank overdraft	-	-	46,705	-
Unsecured loans	93,089	93,089	98,470	98,470
Trade payables	738,751	668,479	532,210	478,465
Taxation and social security	484,105	478,703	480,804	475,861
Other creditors	127,896	116,289	151,705	138,316
Accruals and deferred income	3,020,027	2,866,059	3,254,422	3,115,124
	4,463,868	4,222,619	4,564,316	4,306,236

Deferred income

Included with accruals and deferred income are the following items of income which have been deferred until specific performance related conditions have been met.

	Group 2017 £	Trinity Laban 2017 £	Group 2016 £	Trinity Laban 2016 £
Donations	900,000	900,000	901,111	900,000
Grant income	805,666	746,366	736,198	736,198
Other income	246,905	209,126	217,752	182,804
	1,952,571	1,855,492	1,855,061	1,819,002

15 CREDITORS: amounts falling due after more than one year

	Group 2017 £	Trinity Laban 2017 £	Group 2016 £	Trinity Laban 2016 £
Deferred income	13,725,885	13,725,885	14,247,676	14,247,676
Unsecured loans	871,502	871,502	968,732	968,732
	14,597,387	14,597,387	15,216,408	15,216,408

15 CREDITORS: amounts falling due after more than one year (continued)

Analysis of secured and unsecured loans:

	Group 2017 £	Trinity Laban 2017 £	Group 2016 £	Trinity Laban 2016 £
Due within one year or on demand (Note 14)	93,089	93,089	98,470	98,470
Due between one and two years	174,686	174,686	174,686	174,686
Due between two and five years	262,029	262,029	262,029	262,029
Due in five years or more	434,788	434,788	532,017	532,017
Due after more than one year	871,502	871,502	968,732	968,732
Total secured and unsecured loans	964,592	964,592	1,067,202	1,067,202
Unsecured loans repayable by 2024	871,502	871,502	968,732	968,732

Included in loans are the following:

Lender	Amount	Term	Interest rate	Borrower
AIB	964,591	2024	3.4%	Trinity Laban

The Conservatoire settled the outstanding loan of £964,591 with Allied Irish Bank Plc at 31 July 2017 on the 29 August 2017. A new loan of £1,000,000, repayable over 8 years was taken out on the same day from Lloyds Bank Plc. The Lloyds bank loan has a variable rate of interest based on a margin of 1.35% per annum plus 3 months Libor.

16 PROVISIONS FOR LIABILITIES

Group	Obligation to fund deficit on USS pension £	Defined benefit obligations £	Total pensions provisions £
At 1 August 2016	2,350,834	3,026,000	5,376,834
Additions	(464,476)	(682,000)	(1,146,476)
At 31 July 2017	1,886,358	2,344,000	4,230,358

Trinity Laban	Obligation to fund deficit on USS pension £	Defined benefit obligations £	Total pensions provisions £
At 1 August 2016	2,350,834	3,026,000	5,376,834
Additions	(464,476)	(682,000)	(1,146,476)
At 31 July 2017	1,886,358	2,344,000	4,230,358

Unwinding of discount is included in additional provisions in line with FRS 102. Please refer to note 25 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. Please refer to note 25 for more details.

17 ENDOWMENTS

Group

	Restricted Expendable	Restricted Permanent	Total	Total
	2016-17	2016-17	2016-17	2015-16
	£	£	£	£
At 1 August 2016 (or date of resolution)				
Original cost	833,476	3,257,906	4,091,382	3,828,901
Indexation of capital	251,783	665,535	1,055,648	830,825
Unapplied total return	921,496	95,713	878,879	982,987
Total	2,006,755	4,019,154	6,025,909	5,642,713
Movements in the reporting period:				
New endowments	1,300	277,377	278,677	262,481
Transfer from restricted reserves	-	12,978	12,978	-
Investment income	46,706	93,027	139,733	126,409
Other Income	-	-	-	152
Expenditure	(80,621)	(193,252)	(273,873)	(270,039)
Increase in market value of investments	196,932	392,240	589,172	264,193
	<u>164,317</u>	<u>582,370</u>	<u>746,687</u>	<u>383,196</u>
Total endowment comprehensive income for the year				
31-Jul-17	<u>2,171,072</u>	<u>4,601,524</u>	<u>6,772,596</u>	<u>6,025,909</u>
Represented by:				
Original cost	834,776	3,548,260	4,383,036	4,091,382
Indexation of capital	296,819	803,768	1,100,587	917,318
Unapplied total return	1,039,477	249,496	1,288,973	1,017,209
Total	<u>2,171,072</u>	<u>4,601,524</u>	<u>6,772,596</u>	<u>6,025,909</u>
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	1,863,649	4,241,250	6,104,899	5,401,131
Prize funds	218,826	318,066	536,892	506,508
General	88,597	42,208	130,805	118,270
	<u>2,171,072</u>	<u>4,601,524</u>	<u>6,772,596</u>	<u>6,025,909</u>
Analysis by asset:				
Global equities			4,901,338	4,307,443
UK government bonds			325,513	335,989
Amount due to / (from) endowment			9,354	96,549
Property			112,000	112,000
Cash & cash equivalents			1,424,391	1,173,928
Total endowment assets			<u>6,772,596</u>	<u>6,025,909</u>

18 RESTRICTED RESERVES

Reserves with restrictions are as follows:

Group

	Unspent capital grants £	Restricted donations £	2017 Total £	2016 Total £
At 1 August 2016	7,407,300	202,256	7,609,556	8,168,306
New grants	455,830	-	455,830	36,680
New donations	-	752,229	752,229	652,472
Capital grants utilised	(609,082)	-	(609,082)	(606,990)
Expenditure	-	(626,457)	(626,457)	(640,912)
Total restricted comprehensive income / (expenditure) for the year	(153,252)	125,772	(27,480)	(558,750)
At 31 July 2017	7,254,048	328,028	7,582,076	7,609,556

Trinity Laban

	Unspent capital grants £	Restricted donations £	2017 Total £	2016 Total £
At 1 August 2016	6,951,175	202,256	7,153,431	7,710,688
New grants	126,038	-	126,038	32,500
New donations	-	605,027	605,027	547,635
Capital grants utilised	(597,595)	(479,255)	(1,076,850)	(601,317)
Expenditure	-	-	-	(536,075)
Total restricted comprehensive income / (expenditure) for the year	(471,557)	125,772	(345,785)	(557,257)
At 31 July 2017	6,479,618	328,028	6,807,646	7,153,431

Analysis of other restricted funds/donations by type of purpose:	2017 £	2,016 £
Scholarships and bursaries	256,713	111,941
Prize funds	12,334	14,917
General	58,981	75,398
	328,028	202,256

19 CASH AND CASH EQUIVALENTS

Group

	Note	At 1 August 2016 £	Cash flows £	At 31 July 2017 £
Cash at bank		2,566,378	534,740	3,101,118
Bank overdraft	14	(46,705)	46,705	-
		2,519,673	581,445	3,101,118

20 CAPITAL COMMITMENTS

	Group 2017 £	Trinity Laban 2017 £	Group 2016 £	Trinity Laban 2016 £
Commitments contracted for	-	-	474,000	-
	<u>-</u>	<u>-</u>	<u>474,000</u>	<u>-</u>

21 LEASE COMMITMENTS

At 31 July 2017, the Conservatoire and the Group had future minimum lease payments as follows:

	Land & buildings 2017 £000	Other 2017 £000	Land & buildings 2016 £000	Other 2016 £000
Payable during the year	288	87	288	126
Future minimum lease payments due:				
Less than 1 year	325	85	325	88
Between 2 - 5 years	1,302	136	1,302	208
More than 5 years	38,630	-	38,956	-
	<u>40,257</u>	<u>221</u>	<u>40,583</u>	<u>296</u>

22 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 non-profit organisation raising 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.

	2017	2016
a) Blackheath Halls	£000	£'000
Income	1,254,120	967,034
Expenditure	(901,643)	(886,744)
Net Income	<u>352,477</u>	<u>80,290</u>
Net Assets	<u>2,090,843</u>	<u>1,738,366</u>

	2017	2016
b) Blackheath (Enterprises) Limited	£000	£'000
Turnover	173,049	233,641
Cost of Sales	(66,623)	(83,171)
Gross profit	<u>106,426</u>	<u>150,470</u>
Administration expenses	(77,385)	(85,710)
Interest Payable	(1,086)	(1,216)
Net Profit before Tax	<u>27,955</u>	<u>63,544</u>

23 RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption under FRS102 whereby it need not disclose related party transactions with its subsidiary undertakings on the grounds that the subsidiaries are 100% owned and the subsidiary accounts are publicly available.

24 ULTIMATE CONTROLLING PARTY

The Group and Company had no ultimate controlling party as at 31 July 2017.

25 PENSION COSTS

TOTAL PENSION COSTS

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

	2017 £	2016 £
Contributions to TPS	638,841	527,100
Contributions to USS	871,146	731,649
Contributions to LPFA / LGPS	86,733	106,688
Contributions to L&G	237,178	293,362
Contributions to other schemes	22,697	13,882
FRS102 adjustment on L&G and LPFA schemes	(242,000)	(313,000)
Total pension costs	1,614,595	1,359,681

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 £638,841 (2016: £527,100) 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%.

25 PENSION COSTS (CONTINUED)

Universities Superannuation Scheme (USS)

The institution participates in the Universities Superannuation Scheme (the scheme). With effect from 1 Oct 2016, the scheme changed from a defined benefit only scheme to 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 Conservatoire 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 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.

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 the scheme provided by USS meets the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the funding plan in existence at the date of approving the financial statements.

The total cost charged to the profit and loss account is £871,146 (2016: £731,649), as shown in this note above.

The latest available full actuarial valuation of the scheme was at 31 March 2014 ("the valuation date"), which was carried out using the projected unit method. The valuation as at 31st March 2017 is underway.

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

The 2014 valuation was the third valuation for USS 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 £41.6 billion and the value of the scheme's technical provisions was £46.9 billion indicating a shortfall of £5.3 billion. The assets therefore were sufficient to cover 89% of the benefits which had accrued to members after allowing for expected future increases in earnings.

Defined benefit liability numbers for the scheme have been produced using the following assumptions:

	2017	2016
	% pa	% pa
Discount rate	2.57	3.6
Pensionable salary growth	n/a	n/a
Pension increases (CPI)	2.41	2.2

The main demographic assumption used relates to the mortality assumptions. Mortality in retirement is assumed to be in line with the Continuous Mortality Investigation's (CMI) S1NA tables as follows:

Male members' mortality 98% of S1NA ["light"] YoB tables – No age rating
Female members' mortality 99% of S1NA ["light"] YoB tables – rated down 1 year

Use of these mortality tables reasonably reflects the actual USS experience. To allow for further improvements in mortality rates the CMI 2014 projections with a 1.5% pa long term rate were also adopted. The current life expectancies on retirement at age 65 are:

	2017	2016
Males currently aged 65 (years)	24.4	24.3
Females currently aged 65 (years)	26.6	26.5
Males currently aged 45 (years)	26.5	26.4
Females currently aged 45 (years)	29.0	28.8

25 PENSION COSTS (CONTINUED)

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

	2017	2016
Scheme assets	£60.0bn	£49.8bn
Total scheme liabilities	£77.5bn	£58.3bn
FRS 102 total scheme deficit	£17.5bn	£8.5bn
FRS 102 total funding level	77%	85%

Movement in deficit during the year in USS scheme:

	2017 £000	2016 £000
Scheme deficit as at 1 August 2016	(2,351)	(2,025)
Service credit / (cost)	505	(291)
Net interest on the defined liability	(40)	(35)
Scheme deficit at 31 July 2017	(1,886)	(2,351)

FRS 102– 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 2017 and 2016 were:

	2017 % pa	2016 % pa
Discount rate	2.7	2.6
Expected pension increases (limited price indexation)	2.7	2.2
Inflation rate	2.7	2.2
Salary increases	4.2	4.0

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

	2017 %	2016 %
Retiring today		
Males	22.2	22.3
Females	24.5	25.1
Retiring in 20 years		
Males	24.5	24.7
Females	26.7	27.5

25 PENSION COSTS (CONTINUED)

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

	2017	2016	2015	2014	2014	2013	2013
	Fair Value	Fair Value	Expected rate of return	Fair Value	Expected rate of return	Fair Value	Expected rate of return
	£000	£000	%	£000	%	£000	%
Equities	2,773	2,044	3.8	1,646	6.7	1,542	6.4
Alternative assets	499	449	3.8	334	6.0	250	5.4
Target return portfolio	939	965	3.8	723	6.1	1,003	4.9
Cash	314	165	3.8	481	3.2	486	0.5
Cashflow matching	-	347	3.8	538	3.4	214	3.4
Total market value of assets	<u>4,525</u>	<u>3,970</u>		<u>3,722</u>		<u>3,495</u>	
Present value of scheme liabilities	<u>(6,255)</u>	<u>(6,226)</u>		<u>(4,995)</u>		<u>(4,595)</u>	
Deficit in the scheme	<u><u>(1,730)</u></u>	<u><u>(2,256)</u></u>		<u><u>(1,273)</u></u>		<u><u>(1,100)</u></u>	<u><u>(733)</u></u>

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 2017 this was 2.7% and 2016 this was 2.6%.

25 PENSION COSTS (CONTINUED)

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

	2017 £000	2016 £000
Service cost	(100)	(90)
Employer contributions	87	107
Administration expenses	(5)	(6)
Net interest on the defined liability	(57)	(47)
Total Actuarial gain/loss	601	(947)
	<hr/>	<hr/>
Total comprehensive income/(expenditure) for the year	526	(983)
	<hr/> <hr/>	<hr/> <hr/>

Movement in deficit during the year (LPFA scheme):

	2017 £000	2016 £000
Scheme deficit as at 1 August 2016	(2,256)	(1,273)
Service cost	(100)	(90)
Employer contributions	87	107
Administration expenses	(5)	(6)
Net interest on the defined liability	(57)	(47)
Total Actuarial gain/ loss	600	(947)
	<hr/>	<hr/>
Scheme deficit at 31 July 2017	(1,731)	(2,256)
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FRS 102– 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 17 using the projected unit method. The actuarial valuation revealed a shortfall of £614,000 in the value of the assets of the scheme of £9,887,000 compared to the actuarial liability of £10,501,000 for pension benefits. This represents a funding level of 94%.

The major assumptions by the actuary in valuing liabilities at 2017 and 2016 were:

	2017 % pa	2016 % pa
Discount rate	2.5	2.9
Expected pension increases (limited price indexation)	3.0	2.7
Inflation rate	3.0	2.7

25 PENSION COSTS (CONTINUED)

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

	2017	2016
Retiring today	%	%
Males	23.2	23.6
Females	24.2	24.4
Retiring in 20 years		
Males	24.5	24.8
Females	25.7	25.6

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

	2017	2015	2014	2013
	Fair	Expected	Fair	Fair
	Value	rate of return	Value	Value
	£000	%	£000	£000
Bonds	1,828	4.1	1,569	1,414
Equities	5,524	7.2	4,569	4,132
Annuities	2,528	4.1	2,444	2,662
Cash	7	0.5	27	14
Total market value of assets	9,887		8,609	7,785
Present value of scheme (liabilities)	(10,501)		(8,923)	(8,135)
Deficit in the scheme	(614)		(314)	(350)

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 2017 this was 2.5% and 2016 this was 2.9%.

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

	2017	2016
	£000	£000
Value of liabilities as 1 August 2016	10,053	8,923
Interest cost	285	324
Experience loss/(gain) on liabilities	-	19
Loss in changes in financial assumptions	630	968
Change in secured pensioners value due to scheme experience	-	10
Benefits paid	(467)	(191)
Value of liabilities as 31 July 2017	10,501	10,053

25 PENSION COSTS (CONTINUED)

Analysis of the movement in the present value of the scheme assets (TCMPA scheme)	2017	2016
	£000	£000
Bid value of assets at 1 August 2016	9,283	8,609
Expected return on assets	265	316
Gain on asset return	612	301
Employer contributions (gross)	255	296
Expenses paid by the scheme	(61)	(58)
Change in secured pensioners value due to scheme experience	-	10
Benefits paid	(467)	(191)
	<hr/>	<hr/>
Bid value of assets at 31 July 2017	9,887	9,283
	<hr/> <hr/>	<hr/> <hr/>

Amounts recognised in the consolidated statement of comprehensive income and expenditure (TCMPA scheme)	2017	2016
	£000	£000
Employer contributions	255	296
Administration expenses	(61)	(58)
Net interest on the defined liability	(20)	(8)
Total Actuarial loss	(18)	(686)
	<hr/>	<hr/>
Total comprehensive income/(expenditure) for the year	156	(456)
	<hr/> <hr/>	<hr/> <hr/>

Movement in deficit during the year (TCMPA scheme):	2017	2016
	£000	£000
Scheme deficit at 1 August 2016	(770)	(314)
Employer contributions	255	296
Administration expenses	(61)	(58)
Net interest on the defined liability	(20)	(8)
Total Actuarial loss	(18)	(686)
	<hr/>	<hr/>
Scheme deficit at 31 July 2017	(614)	(770)
	<hr/> <hr/>	<hr/> <hr/>

CONSOLIDATED PENSION SCHEMES

Movement in deficit during the year (consolidated):	2017	2016
	£000	£000
Scheme deficit at 1 August 2016	(5,377)	(3,612)
Service credit / (cost)	405	(381)
Employer contributions	342	403
Administration expenses	(66)	(64)
Net interest on the defined liability	(117)	(90)
Total Actuarial gain/ (loss)	582	(1,633)
	<hr/>	<hr/>
Scheme deficit at 31 July 2017	(4,230)	(5,377)
	<hr/> <hr/>	<hr/> <hr/>

STATEMENT OF PRINCIPAL ACCOUNTING POLICIES

26 Subsequent Events

The Laban Centre Endowment for Movement and Dance Endowment Fund (LCE) transferred all its assets to Trinity Laban Conservatoire of Music and Dance on the 18th of September 2017. The Conservatoire has so far partly received a total of £983,146.26 and currently in the process of completing formalities to transfer additional funds held in various bank accounts.

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FACULTY OF MUSIC-KING CHARLES COURT, OLD ROYAL NAVAL COLLEGE, GREENWICH,
FACULTY OF DANCE-BREEKESIDE, LONDON SE18 3BZ | TEL: +44 (0)20 8305 9400



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TEL: +44 (0)20 8305 4444