

The Petty Pool Trust
Report of the Trustees and
Audited Financial Statements for the Period 1 April 2016 to 31 July 2017

The Petty Pool Trust

Contents of the Financial Statements for the Period 1 April 2016 to 31 July 2017

	Page
Chairman's Report	3
Report of the Trustees	4 to 22
Administrative Details	23
Statement of Trustees Responsibilities	24
Report of the Independent Auditors	25
Statement of Financial Activities	26
Balance Sheet	27
Cash Flow Statement	28
Notes to the Cash Flow Statement	29
Notes to the Financial Statements	30 to 41
Detailed Statement of Financial Activities	42 to 44

The Petty Pool Trust
Chairman's Report
for the Period Ended 31 July 2017

Welcome to the report of the Trustees from The Petty Pool Trust.

The Petty Pool Trust continues to successfully educate, train and support young people with learning disabilities to prepare them for their adult life whether this is in securing employment or living a more independently.

We are so pleased to report on the accomplishments of the past period. Our students continue to inspire us all with their enthusiasm and commitment to learning and employment. With the continued support of South Cheshire College, we supported 89 students to achieve in 2016-17. We are incredibly proud that over 95% of the young people achieved their qualifications and over 75% went into work placements of varying degrees (including 32% into paid work) whilst 41% into voluntary work. This increase, in part, due to the successful introduction of the Supported Internship programme which will be built upon in the forthcoming year. Our approach to supporting students was also recognised with the organisation gaining Matrix accreditation.

We know a huge part of the value of Petty Pool is the extra curricula activities which then support our students to develop a range of personal and social skills including confidence and self-esteem. Twenty-four of our students took part in the national citizenship service and planned their own Petty Pool Music Festival which was attended by 300 young people with a film made of the day going viral and attracting over 7 million Facebook views!

The outdoor education centre also continued to build upon previous accomplishments, retaining Learning Outside the Classroom Gold Accreditation and attracting more visitors from local schools with 100% of our schools booking residential returning. We have also launched our forest adventures and this year we hope to become an accredited Forest School centre. We also continue to develop the successful partnership with Rotary in delivering Urban Kids Go Outdoors, the international youth camp and youth leadership programme and also, for the first time, welcomed students from St Pauls in Macau.

We are not resting on our success and the publication of our business plan outlines how we would like to diversify our services and this year will see the launch of our new informal education provision Petty Pool Plus which will also see students being able to access short break and holiday activities. We have also started working on confirming plans for our site to invest in our existing facilities whilst looking at the potential of expansion.

At the heart of Petty Pool's success is our commitment to giving young people the best opportunities and allowing them to reach their potential as they enter into adulthood. We are also dedicated to working in partnership with all of our stakeholders to ensure our service meets their requirements. All involved work tirelessly to support the work of the charity. Most of all, Petty Pool's success is about the excellent staff and volunteers who work diligently with passion, commitment and skills and smiles to deliver a service which is simply extraordinary.

Thank you to you all.

Peter Hickson MBE
Chairman of the Board of Trustees

**The Petty Pool Trust
Report of the Trustees
for the Period Ended 31 July 2017**

The trustees present their report with the financial statements of the charity for the period ended 31 July 2017. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

Objectives and aims

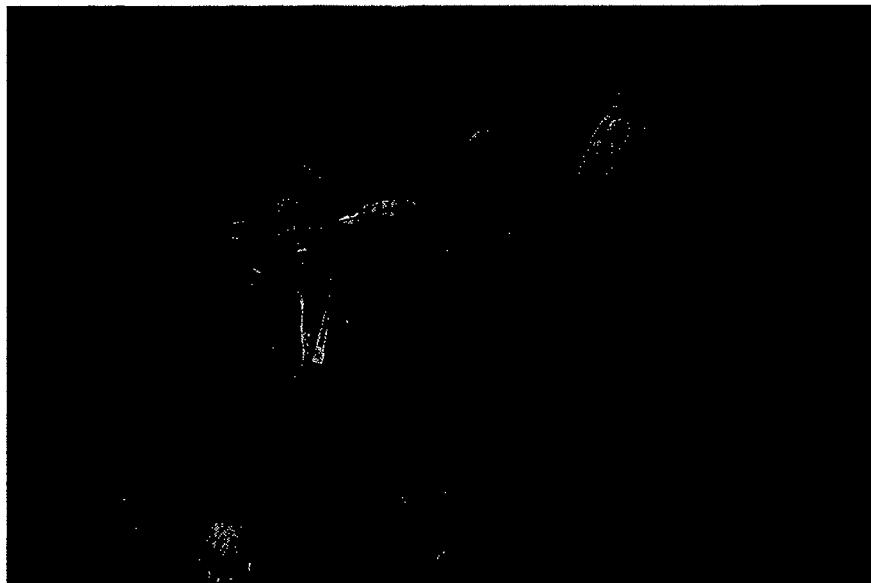
The Petty Pool Vision: Achieving Excellence

The Petty Pool Mission:

Petty Pool aims to provide every young person with an effective and enjoyable educational experience that empowers them to reach their full potential

Values:

- A calm, supportive and welcoming learning environment
- Appreciating all stakeholders and their unique contribution to our success
- High quality teaching and a curriculum designed to accommodate and respond to the ever-changing needs of the individual
- Striving to continuously develop and improve what we do
- A holistic approach where all aspects of personal development are addressed - be they academic, vocational, social or emotional
- An emphasis on the continuity of learning and the transference of skills acquired to the home and other areas of students' lives
- A commitment to ensure the health, wellbeing, safety, security, enjoyment and happiness of all students and work in partnership with other professionals to facilitate this where necessary
- A culture that promotes independence, equality, inclusion, the rights of the individual and respect for all



The Petty Pool Trust
Report of the Trustees
for the Period Ended 31 July 2017

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Petty Pool Trust's objectives are

- To educate and train young people with learning disabilities including vocational and basic skills, personal development preparing them for possible work placements and employment and encouraging independent living
- Promote the personal development of young people, including those with learning disabilities, through the provision of challenging activities.

We have now confirmed our business plan, setting out our priorities for the next three years including

- Continuously improve and develop our education provision
- Continuously improve our outdoor education provision
- Invest and improve in our facilities
- Diversify our services – to reach more young people
- Raise our profile
- Develop a robust and sustainable approach to financial planning and diversify our income

**The Petty Pool Trust
Report of the Trustees
for the Period Ended 31 July 2017**

OBJECTIVES AND ACTIVITIES

Significant activities

Petty Pool Vocational College

Petty Pool Vocational College educates and supports up to 90 full time students from across Cheshire, Halton and Warrington. The principal source of funding is through a sub contract partnership with South Cheshire and the local authorities, with additional support from charitable donations from individuals and trusts. All applicants must have an Education Health Care Plan or equivalent. We accommodate learners with a range of learning difficulties and disabilities but our focus is on what our students can do and can achieve.

Through the college we offer a 38-week academic year, providing a full timetable Monday to Thursday. The college firmly believes that this supports continuity of learning for our students, helping them to prepare for realistic employment in the future. We take a very holistic approach to supporting our learners, in line with The Children and Families Act 2014 and SEND code of Practice and the Preparation for Adulthood agenda. We continue to work closely with parents, social services, behavioural support teams and community nurses, speech and language therapy and young people's services to ensure our students get the support they need.

All students are on a 16-19 study programme. As part of the study programme students choose their City & Guilds Entry Level vocational courses in one of the following: Animal Care, Horticulture, Conservation, Creative Industries, Hospitality, Catering, Retail, IT, Employability, Preparation for Work and Preparation for Independence.

In addition to this, all students have a day and a half of non-qualification activity made up of weekly Functional Skills, Tutorial, Life Skills, and Enrichment Sessions within their timetable.



GET UP & GO! LIFE SKILLS After completing a baseline residential at the start of the year, students identify a range of life skills targets that they wish to work on during the year. These range from making hairdressers appointments to making a simple supper or opening a bank account. Students are supported in developing these skills throughout the year - an important step in developing their independence.

FUNCTIONAL SKILLS On entry to the college we assess student's levels of functional skills before developing a bespoke learning package

which includes specialist groups and exploring functional skills in each of the vocational areas. Students then take an appropriate level qualification in ICT, English and Maths at the end of the year.

TUTORIALS Weekly tutorial sessions allow students to discuss the issues of the day and explore a variety of issues relevant to them including staying safe and healthy, celebrating key faiths and religious festivals and supporting various charity or awareness days including Children in Need, Red Nose Day and Epilepsy Awareness Day. It is during tutorial sessions that students also have the opportunity to discuss their progress with their personal tutor and set and review their 'Individual Learning Plan' (ILP) targets. Students set themselves termly vocational, functional skills, life skills and behavioural and social targets which are reviewed with staff to ensure everyone achieves and works on the goals important to their own development.

**The Petty Pool Trust
Report of the Trustees
for the Period Ended 31 July 2017**

OBJECTIVES AND ACTIVITIES

Significant activities

Petty Pool Vocational College

ENRICHMENT All students take part in a weekly enrichment session, an opportunity for students to try different activities which they can then also access in their leisure time. Our enrichment sessions are varied including Football, Swimming, Make-do and Mend, Glee Clubs, Photography and Baking.

Each year our learners are given the opportunity to join us on a residential holiday. This gives students the chance to develop independence and social skills away from home and Petty Pool. Last year our students enjoyed trips to

- Ribby Hall Village
- Turkey & Tinsel, Lytham St Annes
- Hafan y Mor Haven, Pwllheli
- Activity Holiday
- London Theatre and site seeing mini break
- Leavers Camping trip

Students also enjoy trips to Waterworld and Cheshire Show as well as our annual Christmas Party and Prom.

WORK BASED LEARNING Students start developing vocational skills as they start their vocational course and at Petty Pool we try to make the settings as realistic as possible. Our catering and hospitality students run our student canteen; the animal care students look after the animals on the farm and our horticulture course sell plants to the public as well as supporting our MORE maintenance project. All our courses have links with external work placements for example our IT and Retail students working at Barclays and the Preparation for Work students working at Dairy House Farm. When students are ready, we then source and support them to access independent work placements. This may involve support in the workplace short or long term, or could be training to access public transport independently. Our job coaches also support students in finding employment ready for when they leave the college. Previous successful students are now employed by Blossoms Hotel, Nunsmere, Bridge Community Farm and Abbeywood Estate.

SUPPORTED INTERNSHIPS This structured study programme was piloted with five of our students. Students were based at an employer for at least two days per week enabling our students to achieve sustainable paid employment by equipping them with the skills they need for work, through learning in the workplace. Alongside their time at the employer, young people complete a personalised study programme which includes the chance to study for relevant substantial qualifications, and English and maths. Four of our supported interns gained employment at the end of their programme and we are now making this a permanent offer in our curriculum.

MORE PROJECT The Meaningful Opportunities Realistic Employment project was set up to develop student's employability skills in horticulture and customer service and provides garden maintenance to local elderly or disabled residents. Last year, through funding from the Baily Thomas Fund, we extended the project to four days per week. We now have over 30 customers including some local companies.

**The Petty Pool Trust
Report of the Trustees
for the Period Ended 31 July 2017**

OBJECTIVES AND ACTIVITIES

Significant activities

Petty Pool Outdoor Education Centre

Personal development programmes, primarily for children and young people with learning disabilities, are delivered by the Petty Pool Outdoor Education Centre, ranging from day visits to residential provision. Visiting groups include: special schools; enrichment programmes for Colleges of FE; mainstream schools; other youth working organisations; and corporate days. A significant partnership is with Rotary and Rotary International, with the International summer camp, RYLA, and 'Urban Kids Go Outdoors.'

Access to the services delivered by the Outdoor Education Centre is open to all young people including those with learning disabilities, with due regard to diversity and inclusion. Personal development opportunities through the Outdoor Centre enable enriching and challenging activities, that can enhance self-esteem and personal growth in a protective, though challenging environment, in which young people can prosper, and achieve.

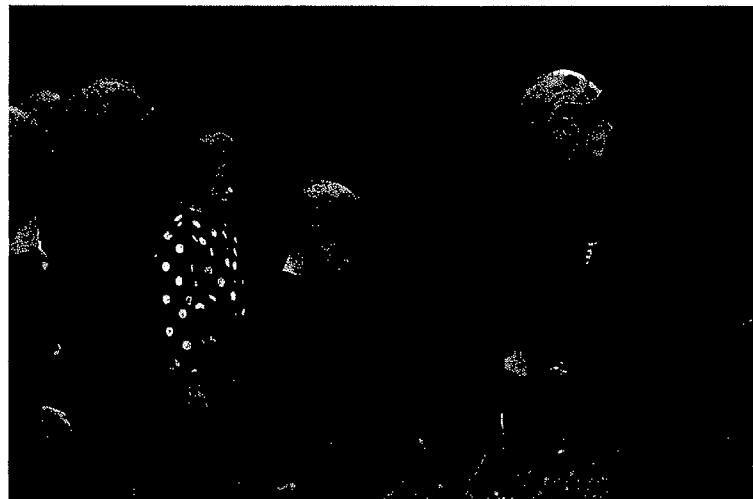
Services offered through our outdoor education centre include: -

UKGO - in partnership with rotary Urban Kids Go Outdoors offers schools a chance to come to Petty Pool and take part in a range of team building and problem solving activities.

School residentials - bespoke personal development programmes for school and youth groups utilising our outdoor equipment and 35-acre site.

Youth leadership programmes - again in partnership with Rotary our youth leadership programmes aim to empower young people to come together from different areas, explore the concepts of leadership and explore how they can take more of an active role in their communities.

Holiday and respite care for young adults with learning disabilities utilising both our outdoor activities and other resources including our catering facilities we provide leisure and set date respite facilities to current and previous students.



We also provide induction and team building activities for our students in the vocational college.

**The Petty Pool Trust
Report of the Trustees
for the Period Ended 31 July 2017**

OBJECTIVES AND ACTIVITIES

Public benefit

The Trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities. As part of the incorporation we also reviewed and widened our charitable objectives in line with our business plan.

Volunteers and supporters

The Petty Pool Trust would like to thank every individual and organisation who supported our work in the past period. We would like to thank all our fundraisers, work placement providers and volunteers for their hard work. Petty Pool receives additional support from its group of volunteers – some of these come week in week out to support our students or our animals, and some come for days at a time to help us redecorate inside or build paths outside. Their contribution cannot be valued highly enough but we thought it would be good to know what their 'replacement' cost would be – i.e. the cost of staff or contractors we would have to buy in to fill the wide gap they would leave.

We currently have 4 regular volunteers @ ½ a day a week for 44 weeks = 616 hours @ £9.50 per hour = £5,852

plus, volunteer teams from Barclays at @ 20 days at £9.50 per hour = £1,425

So overall we are looking at donated time with a financial value of @ £7,500!

Thank you all – we love having you and you know the difference you make; you can see it when you are here!

The Petty Pool Trust is most grateful for the considerable investment of time and commitment received from such a range of local volunteers and corporate partners, and greatly values the enrichment they bring to the facilities and work of the charity.

We would particularly like to thank the following businesses for their involvement with our work and the following Trusts for their continued support in such a variety of ways: Baily Thomas Fund, Barclays Bank, Natwest, JCP, Vale Royal Lions, Rotary Clubs of districts 1280 and 1050, who all contribute as volunteers to the work of the charity in a wide variety of ways. The Trust also benefits from the long-term engagement by a number of individuals, who have supported the Trust for a number of years.

We could not have achieved all that we have without you.

**The Petty Pool Trust
Report of the Trustees
for the Period Ended 31 July 2017**

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The Petty Pool Vocational College

Review of our achievements and performance

Academic achievements

Our students continue to do well in all aspects of their learning and development with most of our achievements above the national benchmarks for similar cohorts of young people. Key strengths identified include

- Excellent relationships between students and lecturers
- High expectations for students
- Detailed lesson plans targeting the individual needs of all students
- Excellent targeted learner support
- Developing confident students within and beyond the classroom

This dedication of staff ensures our students are able to achieve – and in the last academic year: -

- 100% of students were retained in their study area
- 95.5% gained their core qualification
- 90% of those entered gained a Maths or English qualification relevant to their ability
- 90% of students achieved their individual learning plan targets which encompass all aspects of their study which are set termly

In addition, students took part in nearly 5000 work experience hours with over 78 placement providers and participated in over 1000 volunteering hours supporting local and national charities including the Forestry Commission, St Luke's Hospice and raising funds for national campaigns.



This period also saw the launch of our exciting new partnership with Premier Inn with a purpose built, replica training facility built at Petty Pool. This facility will allow students, and other young people, to develop the skills in housekeeping before they experience it in local premises before then gaining work experience in their local community. We want to build on the success of this period which saw one student gain employment!

**The Petty Pool Trust
Report of the Trustees
for the Period Ended 31 July 2017**

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The Petty Pool Vocational College

Students were also able to access over 3800 additional wider learning hours including residential and the national citizenship service.

Where our students progressed to

With the increased emphasis on the vocational work experience, the piloting of our supported internship and the investment into the job coach team, more of our students are moving into paid employment. Eight of our leavers moved into paid employment and you can hear the words of one of our supported interns on page 11. We continue to support employers, students and parents beyond Petty Pool and we know that 95% of our outcomes are sustainable after 12 months. A full breakdown of our achievements can be found below.

- 32% into Paid Work
- 40% into Voluntary Work
- 4% progressed onto Supported Internships
- 4% into accessing Payable Services - "Community Employment"
- 13% into accessing Payable Services - "No Employment Focus"
- 7% unknown

Student feedback about our work

Students are at the heart of life at Petty Pool and through our learner forums, student council and student survey we are constantly listening to our students so we can further improve our service. Here's a selection of what they had to say...

Kallum Storey Hawkes

Petty Pool is a very marvellous place, because we get to do loads of different things, like go on day trips to Waterwold, and go on loads of different residential like Blackpool, Ribby Hall, Wales.

In college, we have loads of different kinds of courses, like catering, animal care, ICT, Retail and Office and horticulture.

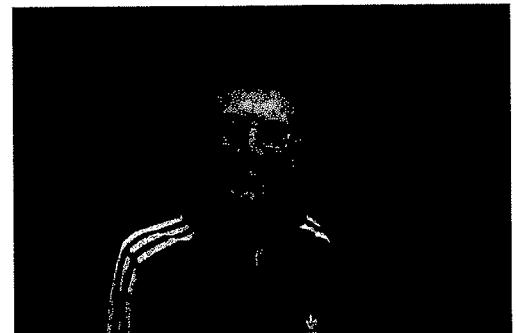
I do catering. We prepare meals for the students at college. We chop up all different kinds of veg and salad. We do all the washing up and cleaning the kitchen. At breakfast time we make toast, we put out cereals and sometimes we do bacon butties, crumpets, sausage butties. At lunch time we do special meals, like sweet and sour chicken, paninis and sandwiches.

We do functional skills with Tracey. She helps us with our maths and our English. Some of us are on lower levels some of us are on higher levels. She makes it more hard for us to make us better at it.

We have enrichment. This term we've got movie making, make up, photography, retro movies and baking.

I like spending time with my mates. We talk, socialise and play football.

Come along to Petty Pool, all the tutors are friendly and its great place!



**The Petty Pool Trust
Report of the Trustees
for the Period Ended 31 July 2017**

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The Petty Pool Vocational College

Laura Taylor

Petty Pool is a really good friendly college. The staff are all friendly, they look after you if you are not well.

I love working with the animals on my animal care course. I work with the animals on the farm. I like all of them.

I do functional skills as well. We have two functional skills sessions. It gets us better at learning maths and English. Our Functional Skills teacher does money skills with us.

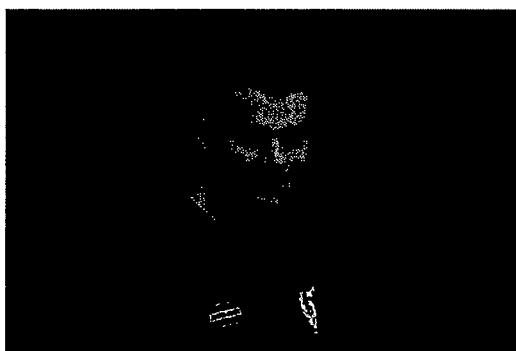
We have enrichment. We are in different groups. It's a fun way of working together as a new group of friends.

We do different subjects in Tutorial, like Health and Safety, and we have a 1 to 1 when you talk to teacher about if you've got any worries or if anything has changed.

I like talking with my friends at break times.

Petty Pool makes students who are shy come out of their shell. The staff talk to the students and make them feel welcome.

Malcolm Royle



I think Petty Pool is amazing. You might feel a bit shy when you first come to college, but the staff are kind and nice. The staff meet with the new students that start and greet them.

I'm in the Leavers' group. In the last year we do work placements. I'm at Stonyford Cottage, I do gardening and weeding. My class go and do litter picking for Delamere Forest.

I like talking with my friends at break time.

**The Petty Pool Trust
Report of the Trustees
for the Period Ended 31 July 2017**

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The Petty Pool Vocational College

Natalie Fellows

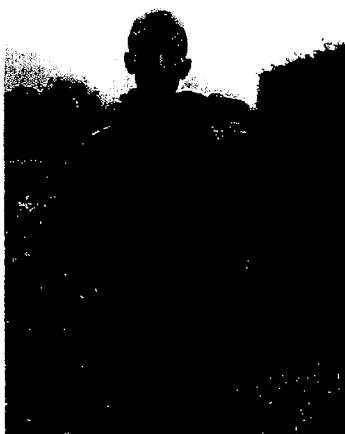
Petty Pool is a good place to be, because you get to do different things that you've never done before. There are lots of courses.

You get to go on loads of trips like London, Ribby Hall and Anglesey.

I love all the students that come here. I've made lots of friends. My confidence has grown loads since I've been at Petty Pool.

Case study – supported internships

In my first year at Petty Pool I was in the horticulture class and then in my Second year I was in Conservation and Recycling as I liked to be busy and be outside. In my third year I was part of the Supported Internships where I spent lots of time working with the MORE Project.



We visited people's homes out in the community and carried out garden maintenance, I love cutting the grass and pressure washing.

Thanks to the MORE project I have learnt new skills and grown in confidence. Martin from the MORE project supported me to look at other work experience and when I was leaving Petty Pool I was offered 2 paid work placements.

One work placement is at Bridge Community farm in Ellesmere Port. I will be working 4 days a week for 16 hours. The other is 1 day at Abbey Wood Gardens.

At these placements I will continue with gardening work which I really enjoy.

I have really enjoyed my time at Petty Pool and will miss all my friends.

**The Petty Pool Trust
Report of the Trustees
for the Period Ended 31 July 2017**

ACHIEVEMENT AND PERFORMANCE

*Charitable activities
The Outdoor Centre*

Review of our achievements and performance

The past period has seen considerable success for the Outdoor Centre.

The team continue to work hard to generate new and repeat business and the income levels have increased over the past two years this has been supported by

- Increased residential stays - 22 residential with average of 25 clients per stay, 38% of our calendar
- Increased day visits, resulted in 12 day visits with an average of 23 clients.
- UKGO increased to 23 day visits with an average of 30 clients, with 6 Schools from new catchment areas.
- Three Rotary Holiday residential with 14 clients per group – maximising the number of visitors and occupancy
- The launch of Forest Adventures

We continue to integrate and work in partnership with our vocational college including use of centre for Petty Pool baseline and providing team building activities in college. Students are also able to participate in Bushcraft sessions delivered by the team as part of their enrichment offer

The team continue to develop the provision and are working towards launching Forest Adventures as an accredited forest school provider.

**The Petty Pool Trust
Report of the Trustees
for the Period Ended 31 July 2017**

FINANCIAL REVIEW

Financial position

The Charity has made a surplus in the period of £36,866 (2016 £1,034,563 including the legacy) after including gains made on investments.

Income streams remain consistent with prior years. The funding from South Cheshire College SLA has increased in the period by £262k as a result of additional student numbers and a rise in the level of contributions per student. This has resulted in additional staff being employed, this and annual salary increases has resulted in an increase of £173k in payroll costs and an additional investment in the educational resources for the Vocational College. There have not been any significant changes in the overheads of the business.

However, the depreciation charge for the period is £401,609 and this is not comparative to previous periods. During the year the Trustees undertook a review of the fixed assets and in particular the buildings. The review was undertaken with the assistance of professional advisors and in view of the nature of the buildings and their limited life span it was agreed that the rate of depreciation needed to be increased as a result there is an additional charge in the year of @£350,000. The budgeted depreciation for next year is @ £60k.

The Board felt it prudent to make this charge in the period as it more fully reflects the position of the charity assets. The depreciation charge is purely a 'book' adjustment and does not reflect in the cash position of the charity.

The period recorded in the accounts for 2016-17 is a 16-month period from 1st April 2016 to the 31st July 2017. The trustees took the decision to change the year end to align with the academic year for ease of budgeting, forecasting and financial management, and to align it with the SLA from South Cheshire College.

Principal funding sources

The Trust's principal funding is from South Cheshire College Service Level Agreement, with major contributions through the sale of services and provision in the outdoor education centre and charitable donations from individuals and trusts.

Reserves policy

The Trustees have established a policy whereby any unrestricted funds not committed or invested in tangible fixed assets are to be invested so as to maximise the return, whilst remaining accessible.

When the trustee board reviewed the charity's reserves policy and level of reserves, they concluded that reserves should be maintained at a level that would allow the charity to continue to provide all services for a period of at least 6 months, in the event of unforeseen difficulties. As well as this, the trustees agreed that they would wish reserves to be at a level that could also cover the cost of closure of the charity.

Thus the board have concluded that a level of free reserves of £1m would provide them with the safeguards they need to be able to guarantee continuity of services during periods of instability, uncertainty or change.

**The Petty Pool Trust
Report of the Trustees
for the Period Ended 31 July 2017**

FINANCIAL REVIEW

Reserves policy

Our reserves at the 31st July stand at £2,188,919 with £937,963 of these being 'free' reserves, with £1,250,956 being held as an endowment asset (legacy investment portfolio and property), within the free reserves are £554,311 of designated reserves, currently held to reflect the value of the Buildings asset (historically for the Lottery funding) of £545,625 and £8,686 of Barclays funding set aside towards the cost of the OEC equipment replacement. However, the Board felt it prudent to designate funds towards the replacement of buildings who are entering the final years of their life span. The charity hopes to build this fund to £1m to allow an estates programme to be implemented. This fund currently stands at £300,000.

Investment policy and objectives

The Board of Trustees has considered the most appropriate policy for investing liquid funds and has found that, commensurate with the size of the charity, the use of bank deposit accounts would be sufficient at this time to maximise income and remain the flexibility of working capital.

With the legacy to the charity the Trustees will make certain that they develop a robust investment strategy after taking the relevant independent advice. Currently the funds are invested via Brown Shipley, with whom the trustees will meet annually to discuss and agree the investment plans for the year. The trustees only gained control of the funds in February 2017 and so were able to complete only a preliminary review of the portfolio and made some minor changes to funds invested in, but undertake to complete a full review in the 2017-18 year, including a review of the partner providing the service. Currently the trustees have set their appetite for risk at medium.

Endowment Fund

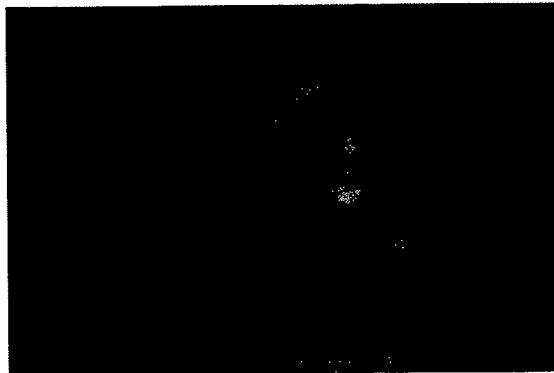
The Charity was lucky enough to receive a legacy in 2016. At the time of writing the accounts then we were unsure of the financial value of the legacy and so £1m was included at that time, since then the Board have had the final figures from the legacy and so the fund has increased to £1.2m – the additional £200k has been brought into the income in the current period. All of the legacy will be kept as an endowment fund and invested to provide a future income and sustainability for the charity. As stated in the reserves policy the board will start by ensuring we have six months' operational costs (and funds to cover any closure costs if needed), the legacy allows us to extend this a little to providing continuity for the majority of the services ideally for an academic year, to mitigate in the case of our losing our main income stream - giving us the time to replace it with a new one.

Each year the CEO will present to the board a business plan which will contain any requests for additional investment in the charity. It is planned that these requests will only be for investment in the facilities of the site or based on the business plan of the charity and not any contribution towards operational activities. The board will review the plan and agree any amount to be released.

**The Petty Pool Trust
Report of the Trustees
for the Period Ended 31 July 2017**

FINANCIAL REVIEW
Endowment Fund

Our initial plans are that whilst we will continue to invest the majority of the funds, there will also be some ongoing outlay in the facilities including providing additional space and classrooms whilst also bringing our facilities up to standard. This is after a number of years where our only choice has been to complete only the necessary repairs; now we are able to invest better in our infrastructure and provide the quality of environment that our young people deserve and should expect.



**The Petty Pool Trust
Report of the Trustees
for the Period Ended 31 July 2017**

FUTURE PLANS

How did we get on with the plans we set ourselves last year?

Our strategic objectives for The Petty Pool Trust in 2016-17

- Enhance our governance, leadership and management through incorporating our charity, reviewing our charitable aims and objectives and recruiting additional Trustees

We are currently in the process of incorporating the charity and are working closely with the Charity Commission and our solicitors to ensure the correct structure is reached to allow the charity to be sustainable for the future whilst keeping the assets secure. We have 2 new 'recruits' waiting to join us as trustees; who have joined the last few Board meetings as observers to ensure they are fully engaged before they join the trustee board.

- Continually improve our provision and services, delivering services to the highest of quality

Our teaching learning and assessment continues to be 100% good or outstanding when assessed by South Cheshire whilst our Outdoor Education Service retained the Learning Outside the Classroom gold status. We continue to drive up performance with the introduction of key performance indicators across a range of measures to show the impact of our work. We were also successful in gaining Matrix accreditation in recognition of the support, information advice and guidance we give to our students

- Maintain strong relationships with our partners whilst continually seeking to develop new partnerships to support our work

With the merger of South Cheshire College and West Cheshire College we have continued to develop strong links with our main partner, welcoming a number of senior managers to Petty Pool. In addition, the CEO and Director of Student Services have joined several local authority networks to ensure our provision is meeting the needs of our local authority commissioners. Our Premier Inn training facility was launched and we welcomed operational manager from across the north west to show case our students. We continue to work with Cheshire Business Connect who have helped us develop links with a variety of private sector partners to support our work. Our Work Based Learning team continue to develop partnerships with local businesses and our students accessed placements in over 100 individual locations.

- Invest in, and improve, our facilities and resources

In this period our expenditure on R&M has increased from £36,000 to £98,000 as we have used the additional funds received from the legacy of Mark to update and improve our facilities for our young people. We have undertaken a building survey to give us a comprehensive assessment of our buildings and the work needed to maintain them to the highest standards and are working with industry experts to make sure our vocational areas reflect the work places our students move onto.

- Diversify our services - developing and delivering more services for young people with learning disabilities including informal education, and short break stays and days during the college holidays.

We have launched Petty Pool Plus and started recruiting for staff to lead this provision. We have run a series of short break stays during the college holidays which has been accessed by 20 young people.

- Continue to develop a robust and sustainable approach to financial planning including investing wisely and developing additional reserves

We have recruited a qualified accountant during 2017 with strong financial management skills, we have started with a strong budgeting and forecasting timetable and during the 2017-18 period the trustees will review the investment portfolio and management to ensure the charity receives value for money.

**The Petty Pool Trust
Report of the Trustees
for the Period Ended 31 July 2017**

FUTURE PLANS

Our strategic objectives for The Petty Pool Trust in 2017-18

This year will see the consolidation of the work we started this year, supported by our strategic and business plans. Our goals are to

- Develop and enhance the leadership and management of the organisation through incorporating our charity, reviewing our charitable aims and objectives and recruiting additional Trustees
- Develop a strong Petty Pool workforce connected to and driven by our values including completing a salary benchmark and continue to invest in our staff
- Invest and improve in our facilities through developing a five-year asset replacement budget and long term plan for our current assets whilst developing a longer term vision for the site, exploring the potential of a new build and reconfiguring our current space
- Diversify our services – to reach more young people including informal education, and short break stays and days during the school holidays.
- Raise our profile including developing and launching a new website
- Develop a robust and sustainable approach to financial planning including the development of a fundraising strategy to complement our business plan



Our plans for Petty Pool Vocational College in 2017-18

We will continue to develop our services to ensure we constantly improve our approach to our students and stakeholders. Our key aims include

- Continue to develop high quality provision with more lessons being judged as outstanding
- Ensuring more young people move into employment through the continued development of realistic vocational areas and the development of our supported internship programme
- Improve how we monitor and capture the impact of our work
- Improve our approach in developing relevant independent living skills
- Continue to develop provision to meet needs of students

**The Petty Pool Trust
Report of the Trustees
for the Period Ended 31 July 2017**

FUTURE PLANS

Our plans for the Outdoor Education Centre in 2017-18

We want to continue to build upon the success of previous years in providing high quality personnel development using outdoor activities and education. Specifically, our objectives for the forthcoming year are to:

- Increase visitor numbers again, maximising the number of young people utilising our residential facilities.
- Continue to develop the activities for visitors to maximise the use of our natural resources and woodland site
- Develop a learning framework so visiting schools know the purpose of our activities and how this can benefit their students



Lest we forget...

In 2015 The Petty Pool Trust lost one of our ex-students who had become part of the Petty Pool family. Mark, or Snowy as we all knew him, remembered Petty Pool in his will and this has secured the future of the charity for other people like Snowy. The majority of the legacy will be kept as designated reserves and invested to provide a future income.

As stated in the reserves policy the board will start by ensuring we have six-months operational costs, the legacy allows us to extend this to providing continuity for the majority of the services ideally for an academic year, to mitigate in the case of our losing our main income stream - giving us the time to diversify and still support our young people.

A true legacy.

**The Petty Pool Trust
Report of the Trustees
for the Period Ended 31 July 2017**

STRUCTURE, GOVERNANCE AND MANAGEMENT

The charity is controlled by its governing document and constitutes an unincorporated charity.

The charity was set up on 18th May 1981 and is governed by its revised constitution adopted on 1st May 2003 as amended 25th November 2003. The charity operates under the name of The Petty Pool Trust, with operational activities divided between the Petty Pool Vocational College, which provides education and training for young people with learning disabilities, and the Petty Pool Outdoor Centre, providing personal development through adventurous activities.

As mentioned above, last year the Trustees took the decision to become incorporated in order to provide greater accountability and stability to the organisation. We have also used this process to review our governing document and objectives and under the advice of Brabners solicitors the trustees have agreed on a new structure for the organisation in that a new charitable company Petty Pool has been set up from which all operations will be directed as from Autumn 2017. The Petty Pool Trust and Petty Pool will form a scheme under Charity Commission rules (i.e. will be linked together) and The Petty Pool Trust will retain the assets of the organisation, whilst Petty Pool will become the sole Corporate Trustee of The Petty Pool Trust.

Whilst this sounds complex it is not uncommon and for all intents and purposes is 'business as usual' – the same staff, doing the same amazing work in the same environment but with the knowledge that the future is more secure.

Organisational structure

The charity has a Trustee Board of four members who are responsible for the strategic direction and policy of the Charity.

The day-to-day operational responsibility for the provision of services rests with the Chief Executive and the senior management team. The Chief Executive is responsible for ensuring that the Charity delivers the services specified in the governance document. The senior management team have responsibility for the day to day operational management of the different activities of the charity, individual supervision of their staff teams and also ensuring that the teams continue to develop their skills and working practices in line with best practice, whilst contributing to the overall delivery of the charities objectives.

Induction and training of new trustees

The charity has three long-term trustees, and a fourth who joined the Board in 2016. As mentioned above we have 2 new trustees waiting to join the Board, and they will increase the trustee numbers to 6 during 2017.

New board members receive a Trustee handbook and undergo an induction process to brief them on the work of the charity, their legal obligations and responsibilities. The Trustee board have also introduced a Code of Conduct which is signed by all. The Trustees have also undertaken a Skills Audit where members are asked to identify any training needs, which are addressed either by in-house training sessions or by encouraging them to attend appropriate external training events.

The Trustees will undertake to do a full governance review in 2017 to ensure they are up to date in both their practices and management of the organisation. This will include a full Skills audit, implementation of an Annual and Rolling Agenda to ensure that all major matters are covered at each meeting but also that each meeting has a key focus, whether that be safeguarding, staffing, finance or quality of delivery.

**The Petty Pool Trust
Report of the Trustees
for the Period Ended 31 July 2017**

STRUCTURE, GOVERNANCE AND MANAGEMENT (cont'd)

Key management remuneration

The trustees consider that the board of trustees, the Chief Executive and the Senior Management Team as comprising the key management personnel of the charity as they are responsible for directing and controlling the charity and for the operational delivery. All trustees give their time freely and no trustee remuneration or trustee expenses were paid in the past period. The pay of the Chief Executive, along with all the staff, is reviewed annually and a decision made as to any pay increase. The remuneration is bench marked against charities of a similar size to ensure it is in line with that generally paid for similar roles.

South Cheshire College Partnership

The Petty Pool Trust has a long-term and successful Service Level Agreement with South Cheshire College, for the delivery of high quality education and training services for young people with learning disabilities. Through this arrangement the charity is subject to inspection by Ofsted as well as a rigorous internal and external quality assurance process. The terms of the SLA are reviewed on an annual basis, to ensure that the services delivered by the Trust are properly reflected in the financial settlement.

**The Petty Pool Trust
Report of the Trustees
for the Period Ended 31 July 2017**

REFERENCE AND ADMINISTRATIVE DETAILS

Auditors

Voisey & Co
Statutory Auditor
8 Winmarleigh Street
Warrington
Cheshire
WA1 1JW

Bankers

Yorkshire Bank plc
41 Victoria Street
Crewe
Cheshire
CW1 2LH

Solicitors

Brabners
Horton House
Exchange Flags
Liverpool
L2 3YL

Honorary President

Lady Grey of Codnor

Chief Executive

Jayne Wilson

**The Petty Pool Trust
Report of the Trustees
for the Period Ended 31 July 2017**

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure of the charity for that period. In preparing those financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 27th November 2017 and signed on its behalf by:



P Hickson - Trustee

Report of the Independent Auditors to the Trustees of The Petty Pool Trust

We have audited the financial statements of The Petty Pool Trust for the period ended 31 July 2017 on pages twenty-six to forty-one. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and regulations made under Section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees Responsibilities set out on page ten, the trustees are responsible for the preparation of the financial statements which give a true and fair view.

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with regulations made under Section 154 of that Act.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 July 2017 and of its incoming resources and application of resources for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements ; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Voicey & Co
Statutory Auditor

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

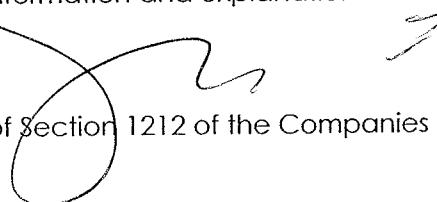
8 Winmarleigh Street

Warrington

Cheshire

WA1 1JW

Date: 27th November 2017



Statement of Financial Activities
for the Period 1 April 2016 to 31 July 2017

	Notes	Unrestricted funds £	Restricted funds £	Endowment fund £	Total funds £	Period 1.4.16 to 31.7.17	Year Ended 31.3.16
INCOME AND ENDOWMENTS FROM							
Donations and legacies	2	39,243	-	222,168	261,411	1,038,936	
Charitable activities	5						
Vocational Centre		1,886,394	-	-	1,886,394	1,135,866	
Outdoor Educational Centre		140,148	15,000	-	155,148	77,762	
Other trading activities	3	27,974	1,167	-	29,141	15,679	
Investment income	4	-	-	10,254	10,254	2	
Total		2,093,759	16,167	232,422	2,342,348	2,268,245	
EXPENDITURE ON							
Raising funds	6	20,125	-	3,771	23,896	18,526	
Charitable activities	7						
Vocational Centre		2,081,255	25,410	-	2,106,665	1,078,982	
Outdoor Educational Centre		196,470	756	-	197,226	136,174	
Total		2,297,850	26,166	3,771	2,327,787	1,233,682	
Net gains/(losses) on investments		-	-	22,305	22,305	-	
NET INCOME/(EXPENDITURE)		(204,091)	(9,999)	250,956	36,866	1,034,563	
RECONCILIATION OF FUNDS							
Total funds brought forward		1,142,054	9,999	1,000,000	2,152,053	1,117,490	
TOTAL FUNDS CARRIED FORWARD		<u>937,963</u>	-	<u>1,250,956</u>	<u>2,188,919</u>	<u>2,152,053</u>	

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

The Petty Pool Trust

Balance Sheet
At 31 July 2017

	Notes	Unrestricted funds £	Restricted funds £	Endowment fund £	31.7.17 Total funds £	31.3.16 Total funds £
FIXED ASSETS						
Tangible assets	11	629,224	-	-	629,224	971,962
Investments	12	-	-	928,807	928,807	-
		629,224	-	928,807	1,558,031	971,962
CURRENT ASSETS						
Debtors	13	168,963	-	-	168,963	1,146,737
Investments	14	-	-	300,000	300,000	-
Cash at bank and in hand		208,710	-	22,750	231,460	139,351
		377,673	-	322,750	700,423	1,286,088
CREDITORS						
Amounts falling due within one year	15	(68,934)	-	(601)	(69,535)	(102,200)
		-	-	-	-	-
NET CURRENT ASSETS		<u>308,739</u>	<u>-</u>	<u>322,149</u>	<u>630,888</u>	<u>1,183,888</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		937,963	-	1,250,956	2,188,919	2,155,850
CREDITORS						
Amounts falling due after more than one year	16	-	-	-	-	(3,797)
		-	-	-	-	-
NET ASSETS		<u>937,963</u>	<u>-</u>	<u>1,250,956</u>	<u>2,188,919</u>	<u>2,152,053</u>
FUNDS						
Unrestricted funds	20				937,963	1,142,054
Restricted funds					-	9,999
Endowment funds					1,250,956	1,000,000
TOTAL FUNDS					<u>2,188,919</u>	<u>2,152,053</u>

The financial statements were approved by the Board of Trustees on 27th November 2017 and were signed on its behalf by:

P Hickson -Trustee

The Petty Pool Trust

Cash Flow Statement
for the Period 1 April 2016 to 31 July 2017

	Notes	Period 1.4.16 to 31.7.17	Year Ended 31.3.16
		£	£
Cash flows from operating activities:			
Cash generated from operations	1	1,152,354	(928,027)
Interest paid		(783)	(1,087)
Net cash provided by (used in) operating activities		<u>1,151,571</u>	<u>(929,114)</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(59,829)	(2,208)
Purchase of fixed asset investments		(1,171,204)	-
Sale of tangible fixed assets		-	35,471
Sale of fixed asset investments		264,705	-
Interest received		-	2
Dividends received		10,254	-
Purchase of current asset investment		(300,000)	-
Net cash provided by (used in) investing activities		<u>(1,256,074)</u>	<u>33,265</u>
Cash flows from financing activities:			
Loan repayments in period		(21,786)	(17,040)
Income attributable to endowment		222,169	1,000,000
Expenditure attributable to endowment		(3,771)	-
Net cash provided by (used in) financing activities		<u>196,612</u>	<u>982,960</u>
Change in cash and cash equivalents in the reporting period		92,109	87,111
Cash and cash equivalents at the beginning of the reporting period		<u>139,351</u>	<u>52,240</u>
Cash and cash equivalents at the end of the reporting period		<u>231,460</u>	<u>139,351</u>

The Petty Pool Trust

Notes to the Cash Flow Statement
for the Period 1 April 2016 to 31 July 2017

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Period 1.4.16 to 31.7.17	Year Ended 31.3.16
	£	£
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	36,866	1,034,563
Adjustments for:		
Depreciation charges	401,609	38,964
Gain on investments	(22,305)	-
Loss on disposal of fixed assets	955	14,834
Interest received	-	(2)
Interest paid	783	1,087
Dividends received	(10,254)	-
Income attributable to endowment	(222,169)	(1,000,000)
Expenditure attributable to endowment	3,771	-
Decrease in stocks	-	2,135
Decrease/(increase) in debtors	977,774	(1,056,492)
(Decrease)/increase in creditors	<u>(14,676)</u>	<u>36,884</u>
Net cash provided by (used in) operating activities	<u>1,152,354</u>	<u>(928,027)</u>

The Petty Pool Trust

Notes to the Financial Statements for the Period 1 April 2016 to 31 July 2017

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

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

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Donations, are recognised when the Charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is a treated as a contingent asset and disclosed if material.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment advisor of the dividend yield of the investment portfolio.

The Petty Pool Trust

Notes to the Financial Statements - continued for the Period 1 April 2016 to 31 July 2017

1. ACCOUNTING POLICIES - continued

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Governance costs

Governance costs include external audit, legal advice on governance matters, Trustees' expenses, and an apportionment of shared and indirect costs.

Allocation and apportionment of costs

Cost of generating funds includes a proportion of shared and indirect costs.

Direct charitable expenditure consists of direct, shared and indirect costs associated with the main activities of the Trust.

Shared and indirect costs are apportioned on the basis of the number of full-time equivalent staff.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost
Plant and machinery	- 10% on reducing balance
Fixtures and fittings	- 10% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 25% on reducing balance

Individual assets with a value of less than £500 are not capitalised.

An impairment review is carried out on a yearly basis, provisions are made where necessary.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Hire purchase and leasing commitments

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

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

The Petty Pool Trust

Notes to the Financial Statements - continued for the Period 1 April 2016 to 31 July 2017

1. ACCOUNTING POLICIES - continued

Financial instruments

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

Financial instruments are recognised in the charity's statement of financial position when the charity becomes party to the contractual provisions of the instrument.

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

Basic financial assets

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

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit or loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Employee benefits

The costs of the short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the costs of stock or fixed assets. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received. Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Fixed asset investments

Fixed asset investments which are listed on recognised stock exchanges are stated at year end market value. Fixed asset investments which are unlisted are stated at cost less provisions for reductions in value.

The Petty Pool Trust

**Notes to the Financial Statements - continued
for the Period 1 April 2016 to 31 July 2017**

2. DONATIONS AND LEGACIES

	Period 1.4.16 to 31.7.17 £	Year Ended 31.3.16 £
Donations	39,242	27,936
Legacies	<u>222,169</u>	<u>1,011,000</u>
	<u><u>261,411</u></u>	<u><u>1,038,936</u></u>

3. OTHER TRADING ACTIVITIES

	Period 1.4.16 to 31.7.17 £	Year Ended 31.3.16 £
Fundraising events	4,132	-
Sales and supplies	<u>25,009</u>	<u>15,679</u>
	<u><u>29,141</u></u>	<u><u>15,679</u></u>

4. INVESTMENT INCOME

	Period 1.4.16 to 31.7.17 £	Year Ended 31.3.16 £
Other fixed asset invest - FII	10,254	-
Deposit account interest	<u>-</u>	<u>2</u>
	<u><u>10,254</u></u>	<u><u>2</u></u>

5. INCOME FROM CHARITABLE ACTIVITIES

	Period 1.4.16 to 31.7.17 £	Year Ended 31.3.16 £
Activity		
Sales and supplies	Vocational Centre	31,953
Grants	Vocational Centre	13,780
Service level agreements	Vocational Centre	1,840,661
Accommodation income	Outdoor Educational Centre	115,093
Sales and supplies	Outdoor Educational Centre	11,275
Grants	Outdoor Educational Centre	28,780
	<u><u>2,041,542</u></u>	<u><u>1,213,628</u></u>

The Petty Pool Trust

**Notes to the Financial Statements - continued
for the Period 1 April 2016 to 31 July 2017**

5. INCOME FROM CHARITABLE ACTIVITIES - continued

Grants received, included in the above, are as follows:

	Period 1.4.16 to 31.7.17	Year Ended 31.3.16
	£	£
Cheshire West and Chester Council	27,560	17,957
The Baily Thomas Charitable Fund	<u>15,000</u>	-
	<u>42,560</u>	<u>17,957</u>

6. RAISING FUNDS

Raising donations and legacies

	Period 1.4.16 to 31.7.17	Year Ended 31.3.16
	£	£
Staff costs	18,237	18,526
Catering and accommodation	<u>1,888</u>	-
	<u>20,125</u>	<u>18,526</u>

Investment management costs

	Period 1.4.16 to 31.7.17	Year Ended 31.3.16
	£	£
Portfolio management	3,771	-
	<u>3,771</u>	-
Aggregate amounts	<u>23,896</u>	<u>18,526</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct costs	Support costs (See note 8)	Totals
	£	£	£
Vocational Centre	1,919,081	187,584	2,106,665
Outdoor Educational Centre	<u>167,102</u>	<u>30,124</u>	<u>197,226</u>
	<u>2,086,183</u>	<u>217,708</u>	<u>2,303,891</u>

The Petty Pool Trust

Notes to the Financial Statements - continued
for the Period 1 April 2016 to 31 July 2017

8. SUPPORT COSTS

	Management	Governance costs	Totals
	£	£	£
Vocational Centre	151,354	36,230	187,584
Outdoor Educational Centre	<u>15,593</u>	<u>14,531</u>	<u>30,124</u>
	<u><u>166,947</u></u>	<u><u>50,761</u></u>	<u><u>217,708</u></u>

Support costs, included in the above, are as follows:

Management

	Vocational Centre	Outdoor Educational Centre	Total activities	Total activities
	£	£	£	£
Wages	52,582	-	52,582	15,734
Social security	2,915	-	2,915	489
Pensions	418	-	418	-
Other operating leases	9,832	402	10,234	3,742
Telephone	8,774	462	9,236	4,124
Sundries	9,155	1,343	10,498	5,086
Bank charges	1,690	188	1,878	1,020
Subscriptions	7,245	805	8,050	4,872
Non-recoverable vat	23,200	2,578	25,778	20,103
Training costs	13,000	265	13,265	5,102
Health and safety costs	10,144	2,536	12,680	6,174
Cleaning and laundry costs	11,694	6,936	18,630	13,770
Bank interest	175	19	194	7
Bank loan interest	530	59	589	1,080
	<u>151,354</u>	<u>15,593</u>	<u>166,947</u>	<u>81,303</u>

Governance costs

	Vocational Centre	Outdoor Educational Centre	Total activities	Total activities
	£	£	£	£
Auditors' remuneration	2,254	119	2,373	3,058
Accountancy and legal fees	7,500	833	8,333	20,200
Consultancy fees	-	12,569	12,569	12,783
Professional fees	25,682	922	26,604	1,209
Trustees' indemnity insurance	794	88	882	2,318
Bad debts	-	-	-	1,596
	<u>36,230</u>	<u>14,531</u>	<u>50,761</u>	<u>41,164</u>

The Petty Pool Trust

Notes to the Financial Statements - continued
for the Period 1 April 2016 to 31 July 2017

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the period ended 31 July 2017 nor for the year ended 31 March 2016.

Trustees' expenses

There were no trustees' expenses paid for the period ended 31 July 2017 nor for the year ended 31 March 2016.

10. STAFF COSTS

	Period 1.4.16 to 31.7.17	Year Ended 31.3.16
	£	£
Wages and salaries	1,300,149	809,592
Social security costs	91,903	57,987
Other pension costs	<u>20,912</u>	<u>23,734</u>
	<u><u>1,412,964</u></u>	<u><u>891,313</u></u>

The average monthly number of employees during the period was as follows:

	Period 1.4.16 to 31.7.17	Year Ended 31.3.16
Staff	<u>55</u>	<u>47</u>

No employees received emoluments in excess of £60,000.

The Petty Pool Trust

Notes to the Financial Statements - continued
for the Period 1 April 2016 to 31 July 2017

11. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures and fittings £
COST			
At 1 April 2016	889,405	96,041	82,291
Additions	-	5,447	34,343
Disposals	-	(44,382)	(62,336)
At 31 July 2017	<u>889,405</u>	<u>57,106</u>	<u>54,298</u>
DEPRECIATION			
At 1 April 2016	18,378	61,438	48,342
Charge for year	325,404	20,794	28,035
Eliminated on disposal	-	(44,382)	(61,378)
At 31 July 2017	<u>343,782</u>	<u>37,850</u>	<u>14,999</u>
NET BOOK VALUE			
At 31 July 2017	<u>545,623</u>	<u>19,256</u>	<u>39,299</u>
At 31 March 2016	<u>871,027</u>	<u>34,603</u>	<u>33,949</u>
COST			
At 1 April 2016	70,067	9,430	1,147,234
Additions	14,259	5,780	59,829
Disposals	(5,750)	-	(112,468)
At 31 July 2017	<u>78,576</u>	<u>15,210</u>	<u>1,094,595</u>
DEPRECIATION			
At 1 April 2016	42,765	4,349	175,272
Charge for period	22,306	5,070	401,609
Eliminated on disposal	(5,750)	-	(111,510)
At 31 July 2017	<u>59,321</u>	<u>9,419</u>	<u>465,371</u>
NET BOOK VALUE			
At 31 July 2017	<u>19,255</u>	<u>5,791</u>	<u>629,224</u>
At 31 March 2016	<u>27,302</u>	<u>5,081</u>	<u>971,962</u>

The Petty Pool Trust

Notes to the Financial Statements - continued
for the Period 1 April 2016 to 31 July 2017

12. FIXED ASSET INVESTMENTS

	Period 1.4.16 to 31.7.17	Year Ended 31.3.16
	£	£
Shares	915,929	-
Other	<u>12,878</u>	<u>-</u>
	<u>928,807</u>	<u>-</u>

Additional information as follows:

	Listed investments £
MARKET VALUE	
Additions	1,158,326
Disposals	(263,904)
Revaluations	<u>21,507</u>
At 31 July 2017	<u>915,929</u>

NET BOOK VALUE

At 31 July 2017	<u>915,929</u>
At 31 March 2016	

There were no investment assets outside the UK.

Investments (neither listed nor unlisted) were as follows:

	Period 1.4.16 to 31.7.17	Year Ended 31.3.16
	£	£
Funds held by broker	<u>12,878</u>	<u>-</u>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.7.17	31.3.16
	£	£
Trade debtors	155,735	110,641
Other debtors	194	1,029,471
VAT	-	879
Prepayments and accrued income	<u>13,034</u>	<u>5,746</u>
	<u>168,963</u>	<u>1,146,737</u>

The Petty Pool Trust

**Notes to the Financial Statements - continued
for the Period 1 April 2016 to 31 July 2017**

14. CURRENT ASSET INVESTMENTS

	31.7.17	31.3.16
	£	£
Property	<u>300,000</u>	<u>-</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.7.17	31.3.16
	£	£
Bank loans and overdrafts (see note 17)	-	17,989
Trade creditors	15,124	28,739
Social security and other taxes	19,866	18,824
Other creditors	80	5,301
Accruals and deferred income	<u>34,465</u>	<u>31,347</u>
	<u>69,535</u>	<u>102,200</u>

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.7.17	31.3.16
	£	£
Bank loans (see note 17)	<u>-</u>	<u>3,797</u>

17. LOANS

An analysis of the maturity of loans is given below:

	31.7.17	31.3.16
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>-</u>	<u>17,989</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	<u>-</u>	<u>3,797</u>

18. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.7.17	31.3.16
	£	£
Within one year	<u>1,145</u>	<u>-</u>

The Petty Pool Trust

Notes to the Financial Statements - continued
for the Period 1 April 2016 to 31 July 2017

19. SECURED DEBTS

The following secured debts are included within creditors:

	31.7.17	31.3.16
	£	£
Bank loans	<u>-</u>	<u>21,786</u>

The bank loan is secured by a first legal charge over Petty Pool Outdoor Centre and the land at Pool Lane, Sandiway. The loan has been fully repaid in the year. An application to have the charge removed is in process.

20. MOVEMENT IN FUNDS

	At 1.4.16	Net movement in funds	Transfers between funds	At 31.7.17
	£	£	£	£
Unrestricted funds				
General fund	529,868	(149,292)	(296,924)	83,652
Designated Land and Buildings Fund	600,424	(54,799)	-	545,625
Designated Fixed Assets Fund	11,762	-	(11,762)	-
Designated Barclays	-	-	8,686	8,686
Designated Buildings Replacement Fund	<u>-</u>	<u>-</u>	<u>300,000</u>	<u>300,000</u>
	1,142,054	(204,091)	-	937,963
Restricted funds				
Property maintenance	9,999	(9,999)	-	-
Endowment funds				
Legacy Endowment fund	1,000,000	250,956	-	1,250,956
	2,152,053	36,866	-	2,188,919

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Gains and losses	Movement in funds
	£	£	£	£
Unrestricted funds				
General fund	2,093,759	(2,243,051)	-	(149,292)
Designated Land and Buildings Fund	<u>-</u>	<u>(54,799)</u>	<u>-</u>	<u>(54,799)</u>
	2,093,759	(2,297,850)	-	(204,091)
Restricted funds				
M.O.R.E Maintenance	16,167	(16,167)	-	-
Property maintenance	<u>-</u>	<u>(9,999)</u>	<u>-</u>	<u>(9,999)</u>
	16,167	(26,166)	-	(9,999)
Endowment funds				
Legacy Endowment fund	232,422	(3,771)	22,305	250,956
	2,342,348	(2,327,787)	22,305	36,866

The Petty Pool Trust

Notes to the Financial Statements - continued for the Period 1 April 2016 to 31 July 2017

21. PENSION COMMITMENTS

The charity paid £20,912 (2016: £23,734) in the year in respect of staff pensions.

22. RELATED PARTY DISCLOSURES

Jayne Wilson is the chair of another charity, Activate, which has similar objectives. There were no transactions during the period.

23. DESIGNATED FUNDS

Designated Land and Buildings Fund

This fund relates to monies received via a Lottery grant towards the construction of the main college buildings.

Designated Fixed Assets Fund

Monies have been received from various sources in respect of fixed assets. This fund is no longer required and so the balance on the fund has been transferred back to general funds.

Designated Buildings Replacement Fund

Monies have been set aside to fund the future replacement of the charity's college buildings.

24. RESTRICTED FUNDS

Property maintenance

Monies raised to help maintain the charity's buildings and the site in general. This fund has been fully utilised in the period.

25. REMUNERATION OF KEY MANAGEMENT

The charity considers its key management personnel comprise the trustees, Chief Executive and the Senior Management Team. The total employment benefits including employer pension contributions of the key management personnel for the 16-month period were £236,972. No employee had employee benefits in excess of £60,000 (2016:0).

The Petty Pool Trust

**Detailed Statement of Financial Activities
for the Period 1 April 2016 to 31 July 2017**

	Period	
	1.4.16	
	to	
	31.7.17	Year Ended
	£	31.3.16
	£	£

INCOME AND ENDOWMENTS

Donations and legacies

Donations	39,242	27,936
Legacies	<u>222,169</u>	<u>1,011,000</u>
	261,411	1,038,936

Other trading activities

Fundraising events	4,132	-
Sales and supplies	<u>25,009</u>	<u>15,679</u>
	29,141	15,679

Investment income

Other fixed asset invest - FII	10,254	-
Deposit account interest	<u>-</u>	<u>2</u>
	10,254	2

Charitable activities

Accommodation income	115,093	54,345
Sales and supplies	43,228	23,417
Grants	42,560	17,957
Service level agreements	<u>1,840,661</u>	<u>1,117,909</u>
	2,041,542	1,213,628

Total incoming resources

2,342,348 2,268,245

EXPENDITURE

Raising donations and legacies

Wages	15,757	17,326
Social security	1,875	1,170
Pensions	605	30
Catering and accommodation	<u>1,888</u>	<u>-</u>
	20,125	18,526

Investment management costs

Portfolio management	3,771	-
----------------------	-------	---

Charitable activities

Wages	1,231,810	776,532
Social security	87,113	56,328
Pensions	19,889	23,704
Carried forward	<u>1,338,812</u>	<u>856,564</u>

The Petty Pool Trust

**Detailed Statement of Financial Activities
for the Period 1 April 2016 to 31 July 2017**

	Period 1.4.16 to 31.7.17	Year Ended 31.3.16
	£	£
Charitable activities		
Brought forward	1,338,812	856,564
Rates and water	3,841	1,397
Insurance	34,921	25,026
Light and heat	30,251	22,831
Postage and stationery	11,153	16,411
Residents' and students' trips	16,251	7,004
Motor expenses	31,671	18,430
Farm costs	17,317	7,095
Repairs	96,036	41,940
Education costs	59,527	16,241
Forestry costs	-	300
Catering and accommodation	38,876	24,987
Advertising	4,963	666
Freehold property	325,404	18,378
Plant and machinery	20,794	4,580
Fixtures and fittings	28,035	4,200
Motor vehicles	22,306	9,760
Computer equipment	5,070	2,045
Loss on sale of tangible fixed assets	955	<u>14,834</u>
	2,086,183	1,092,689
Support costs		
Management		
Wages	52,582	15,734
Social security	2,915	489
Pensions	418	-
Other operating leases	10,234	3,742
Telephone	9,236	4,124
Sundries	10,498	5,086
Bank charges	1,878	1,020
Subscriptions	8,050	4,872
Non-recoverable vat	25,778	20,103
Training costs	13,265	5,102
Health and safety costs	12,680	6,174
Cleaning and laundry costs	18,630	13,770
Bank interest	194	7
Bank loan interest	589	<u>1,080</u>
	166,947	81,303
Governance costs		
Auditors' remuneration	2,373	3,058
Accountancy and legal fees	8,333	20,200
Consultancy fees	12,569	12,783
Professional fees	26,604	1,209
Bad debts	-	1,596
Trustees' indemnity insurance	882	<u>2,318</u>
	50,761	41,164

The Petty Pool Trust

**Detailed Statement of Financial Activities
for the Period 1 April 2016 to 31 July 2017**

	Period 1.4.16 to 31.7.17 £	Year Ended 31.3.16 £
Total resources expended	2,327,787	1,233,682
 Net income before gains and losses		
Realised gains/(losses) on fixed asset investments	14,561	1,034,563
 Realised recognised gains and losses		
Realised gains/(losses) on fixed asset investments	22,305	-
 Net income	36,866	1,034,563