

Charity number: 1143033
Company Number: 04295400

Clervaux Trust
(A Company Limited by Guarantee)

Trustees' report and financial statements
For the year ended 31 August 2020

CLERVAUX TRUST

CONTENTS

	Page
Legal and administrative information	1
Report of the Trustees	2
Statement of Trustees' Responsibilities	9
Independent Auditor's report to the Trustees	11
Statement of Financial Activities	14
Balance Sheet	15
Cash Flow Statement	16
Notes to the Financial Statements	17

LEGAL AND ADMINISTRATIVE INFORMATION

Registered office

Ruskin Mill
Millbottom
Nailsworth
Stroud
Gloucestershire
GL6 0LA

Principal office

Clow Beck Centre
Jolby Lane
Darlington
DL2 2TF

Trustees

H M Kippax
I K Clements
C A Hindmarsh

Company Secretary

E Johnson

Key Management Personnel

Aonghus Gordon – Founder and Executive Chair
Tara Gratton – Director of Schools and Rise
Shazuli Iqbal – Trust Head of Finance
Constantin Court – Director of PSTE Quality Assurance
Lindsay Wilkinson – Trust Head of Human Resources

Auditors

Grant Thornton UK LLP
The Colmore Building
20 Colmore Circus
Birmingham
B4 6AT

Bankers

Lloyds Bank Plc
12 Rowcroft
Stroud
Gloucestershire
GL5 3BD

Solicitors

Royds Withy King LLP
69 Carter Lane
London
EC4V 5EQ

REPORT OF THE TRUSTEES

The Trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year to 31 August 2020.

- **Governing document**

Clervaux Trust is a registered charity (registered no. 1143033) and a company limited by guarantee (registered no. 04295400), as defined by the Companies Act 2006. Its Governing Instrument is the Memorandum and Articles of Association dated 27 September 2001, as amended on 12 January 2011 and 7 March 2012.

STRUCTURE, GOVERNANCE AND MANAGEMENT

- **Group Structure**

Ruskin Mill Trust Ltd is the sole member of Clervaux Trust. Clervaux Trust is part of the Ruskin Mill Trust Group.

Clervaux Trust sub-leases from Ruskin Mill Land Trust (related party) land and farmland for the purposes of delivering therapeutic education and work experience services, principally through the Clervaux Rise programme, for young people and adults with special educational needs, both day and residential.

The registered office of Clervaux Trust is Ruskin Mill, Millbottom, Nailsworth, Stroud GL6 0LA and the principal office is Clow Beck Centre, Jolby Lane, Darlington DL2 2TF.

- **Recruitment and appointment of new Trustees**

The charity's practice regarding recruitment has been for members of the Board to make recommendations for suitably skilled and experienced people who are then appraised by Ruskin Mill Trust's Board of Trustees, which makes the final decision.

Induction and training are carried out during the meeting cycle, and members are also invited to training at Ruskin Mill Trust's other centres. During the year, individual Trustees undertake a range of appropriate training.

- **Organisational Management**

The Trustees delegate the day-to-day running of the provision to a local management team who oversee operations and which reports to Ruskin Mill Trust's Director of Schools and Rise. The key management personnel are listed on page 1. The Trustees did not receive any remuneration from Clervaux Trust in the current or previous period.

- **Directors and Trustees**

The Trustees during the period are listed on page 1.

OBJECTS AND AIMS

- **Objects**

The charity's Objects are:

To advance the education of the public in the subject of conservation, protection and restoration of the natural environment and the sustainable and rational use of natural resources with particular reference to the setting up or establishing either jointly or with others educational facilities for children and adults, including children and adults with learning difficulties, to include arts and crafts activities, woodland management and residential accommodation, with particular reference being given to the indications and insights of Rudolf Steiner in these areas.

- **Aims**

Clervaux offers day and residential care places in Darlington and the wider area to young people and adults with complex learning and behavioural difficulties, and it supports them in gaining training and further education. Daytime work and training is available in the rural setting of the Clow Beck Centre farm at Croft-on-Tees, which provides sessions in crafts and land work. In Darlington, there are opportunities for supported work placements at the Bishop's House through the bakery and café. The residential provision, Clervaux Rise, is offered to those leaving full-time specialist education, those in need of additional independence training and adults benefitting from longer-term care and support.

- **Public benefit**

In carrying out its activities in the year under review, the Trustees confirm that they have complied with their duty under Section 17 of the Charities Act 2011 to have regard to the public benefit guidance issued by the Charity Commission for England and Wales.

STRATEGIC REPORT

- **Achievements and Performance**

The level of staffing at Clervaux has remained broadly the same for this period.

Clervaux continues to develop links with local authorities in the region, which will, it is hoped, result in further residential and day placements. The programme has been

impacted by the pandemic and whilst still able to operate and provide services, there were challenges in recruiting new participants.

The staff team have worked tirelessly to ensure participants were able to continue with their programmes throughout the pandemic, using the outdoor learning spaces and restricting group sizes to keep individuals safe and socially distanced. The staff team and participants have also supported the new school, through sharing appropriate activities.

The building work on the Fold and associated buildings has been completed, and the Rise programme and adult care services have moved up the hill to access these buildings.

Clervaux Trust last had a CQC inspection in June 2018, and was rated Good throughout. The Trust had expected another CQC visit in 2020 but, because of the pandemic, all routine inspections were cancelled.

Over the year, the respective local authorities and other stakeholders have consistently praised the care and support provided by Clervaux for its day and residential service users.

- **Financial Review**

- **Results**

- Trustees value the surplus of £34,931 made during the period to 31 August 2020 (2019: deficit £112,683). A significant percentage of Clervaux Trust's total income £646,363 (2019: £712,674) comes from fees 77% (2019: 74%), and 17% (2019: 21%) relates to other income, which includes café and farm sales.

- **Fundraising**

- Fundraising throughout the Ruskin Mill Trust Group is managed by an in-house Fundraising Department, which is led by a Director of Fundraising. No use is made of any external, professional fundraiser or any commercial participator, so no fundraising activities were carried out on Clervaux Trust's behalf during the year nor were any approaches made to vulnerable individuals in pursuit of the raising of funds for the charity.
 - Clervaux Trust's parent charity, Ruskin Mill Trust, has signed up to the Fundraising Regulator's Code of Fundraising Practice and it pays an annual levy to the Regulator. During the year there was no failure to comply with a scheme or standard cited nor were any complaints received about the

fundraising activities conducted by the Ruskin Mill Trust.

- Money raised by Clervaux Trust through fundraising activities are used by it as agreed with the donor and comply with any conditions attached by the donor.

- **Reserves**

The Trustees review the charity's financial plans and results regularly throughout the year. This is done through monitoring income and expenditure against budget forecasts and monitoring cash flow.

The Trustees feel it prudent to build the level of reserves on an annual basis with the purpose of ensuring that the charity has sufficient reserves to act as a buffer against unexpected drops in income or increases in expenditure. The reserves currently held are restricted funds £40,671 (2019: £41,608) and unrestricted funds -£98,328 (2019: -£134,196).

- **Risks and Uncertainties**

The Trustees review the risks to which the charity is exposed such as the health and safety of service users, visitors, volunteers and staff on an on-going basis and are satisfied that systems are in place to manage exposure to the major risks. They maintain appropriate levels of insurance cover for all foreseeable risks.

The Covid-19 pandemic has had a limited impact on Clervaux Trust Limited. The Trust has been able to continue operating during this time due to the nature of the service that is provided.

Specific areas of risk and uncertainty are:

- **Clervaux RISE**

Clervaux Rise continues to be marketed but the recruitment of new clients has been hampered by the pandemic. The programme is still aiming for 12 clients for financial viability.

As Clervaux RISE is aimed at more complex users, in particular those who may need step-down care from secure units, the skills and experience of the team will need to grow to accommodate this. The Trust continues to be successful in engaging with multi-level support from social care and health teams in the community. In addition, training has been provided to provide the staff with the skills needed to work with the clients.

- **Clervaux Fold**

The Fold is a non-standard Ruskin Mill Trust educational provision. The Business Plan has identified community groups that would benefit from this service and generate income streams and achieve financial viability.

- **Poor Inspection result**

The risk of Clervaux Trust receiving a poor grade following an inspection by the Care Quality Commission (CQC). This is being mitigated through a rigorous system of internal Quality Assurance, including use of a specialist external consultant and investment in staff training.

- **Regulatory non-compliance**

The risk of regulatory non-compliance requires constant review and the upskilling of staff and Trustees to meet an ever-changing regulatory landscape and student profile. Specifically:

- **Keeping service users safe:** The potential risks associated with keeping service users across the whole of the Ruskin Mill Trust Group safe has required continued vigilance and mitigation by robust risk assessment and action plans, assessments, appropriate training, the appointment of safeguarding managers at each of the main centres and improved internal meeting and reporting arrangements. This has been further augmented by the appointment of Directors who are members of Ruskin Mill Trust's Executive Team and to whom local Safeguarding Managers and Ruskin Mill Trust's Head of Safeguarding and the Trust's Head of Health & Safety report. In addition, a Trustee of Clervaux Trust holds lead responsibility for maintaining oversight of Safeguarding and Health & Safety across the charity's activities.
- **GDPR:** Clervaux Trust has engaged an external Data Protection Officer to oversee all data protection compliance. A rigorous programme of staff training continues to be implemented to ensure compliance.
- **Charity Law:** To assist compliance with Charity Law, the Trustees receive regular Charity Law and Governance updates and training, which are supplemented by advice on further provisions as they come in to force.

- **Longevity and deployment of staffing**

The craft tutors and land team have been deployed across RISE and the Fold. As the provision grows, there are concerns about meeting the diverse needs within Clervaux Trust's current resources. The craft tutors are highly accomplished in their crafts and in their experience of engaging and teaching a range of students and residents with complex needs. However, two of the most experienced staff provide only part-time duties to Clervaux Trust and all three of the craft tutors are concerned about their longevity. Consequently, the charity is undertaking succession planning.

- **IT disaster**

The charity continues to monitor and improve IT cyber security arrangements to ensure a robustness and preparedness for any future attacks. Clervaux Trust benefits from technical and MIS services and support provided by Ruskin Mill Trust's central services.

- **Reputational Risk**

The risk of reputational harm is being mitigated through the vigilance of the charity including implementing a Code of Conduct and ensuring staff are suitably supported and trained.

- **Risks to Ruskin Mill Trust Group's Method (Practical Skills Therapeutic Education)**

Vigilance continues to be needed to ensure that the Ruskin Mill Trust Group's educational method is not compromised.

- **Future Plans**

As referred to previously, as a key member of the Ruskin Mill Trust Group and, after a period of steady consolidation over several years, Clervaux Trust is now fast-changing as a result of a series of new initiatives that are building on the original capital.

Clervaux Fold

The Fold continues to provide outreach and support services for families of servicemen and women who are connected to the nearby Catterick Barracks. The programme provides an opportunity for them to spend time as families away from the Barracks experiencing Clervaux's farm and environment and gaining hands-on experience of some of the crafts that are used to deliver *Practical Skills Therapeutic Education*. The addition of the new buildings on the farm has provided much needed resources to this project and the plan is to be able to provide a wider range of educational activities engaging the local community (military and civilian). These activities will be offered five days a week with a focus on craft and land-based activities for young families and parents, and general wellbeing courses for ex-service people.

Clervaux RISE

Clervaux RISE continues to provide both a day and residential service, offering opportunities for individuals (primarily adults) to engage in specialist skills development and work or training opportunities beyond formal education. This currently includes working in the Clervaux Café in Darlington, attending skills courses, and working with animals on the farm. With the addition of the new farm buildings, RISE participants will be able to take part in a Social Enterprise ensuring a 'seed-to-table' experience for the excellent Clervaux Café & Bakery and operating a successful vegetable box scheme. The aim is for the RISE programme to grow to 12 residents over the next 12 months, whilst continuing to develop the physical infrastructure of the site and landscape.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of Clervaux Trust Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the Financial Statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. 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.

- **Provision of information to Auditor**

Each of the persons who are Trustees at the time when this Report of the Trustees is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charitable company's auditor in connection with preparing its report and to establish that the charitable company's auditor is aware of that information.

- **Qualifying third party indemnity provisions**

Directors' indemnity insurance, indemnifying each director against liability to third parties, has been in place throughout the year ended 31 August 2020 and up to the date of approval of this report.

- **Auditor**

The auditor, Grant Thornton UK LLP, will be proposed for reappointment at the Annual General Meeting.

Approved by the Trustees on 15/02/2021 and signed on their behalf by:



I K Clements

Trustee

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF CLERVAUX TRUST

Opinion

We have audited the financial statements of Clervaux Trust (the 'charitable company') for the year ended 31 August 2020, which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow statement 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 charitable company's affairs as at 31 August 2020 and of its incoming resources and application of resources including, its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We have been appointed as auditor under the Companies Act 2006 and report in accordance with regulations made under that Act. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements section' of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

The impact of macro-economic uncertainties on our audit

Our audit of the financial statements requires us to obtain an understanding of all relevant uncertainties, including those arising as a consequence of the effects of macro-economic uncertainties such as Covid-19. All audits assess and challenge the reasonableness of estimates made by the trustees and the related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the charitable company's future prospects and performance.

Covid-19 is amongst the most significant economic events currently faced by the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty, with the full range of possible outcomes and their impacts unknown. We applied a standardised firm-wide approach in response to these uncertainties when assessing the charitable company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a charitable company associated with these particular events.

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 trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
 - the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company'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.

In our evaluation of the trustees' conclusions, we considered the risks associated with the charitable company's business, including effects arising from macro-economic uncertainties such as Covid-19, and analysed how those risks might affect the charitable company's financial resources or ability to continue operations over the period of at least twelve months from the date when the financial statements are authorised for issue. In accordance with the above, we have nothing to report in these respects. However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the charitable company will continue in operation.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report and Financial Statements, 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.

Opinion 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 Directors' Report, prepared for the purposes of company law, included in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Strategic Report and the Directors' Report included in the Report of the Trustees have 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report included in the Report of the Trustees.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or

-
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees for the financial statements

As explained more fully in the Statement of Trustees' Responsibilities set out on page 9, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

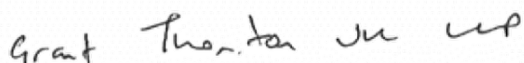
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



William Devitt
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Birmingham

Date: 31 March 2021

Grant Thornton UK LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

CLERVAUX TRUST

STATEMENT OF FINANCIAL ACTIVITIES
(NET INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	Unrestricted Funds	Restricted Funds	Total Funds Year to 31 August 2020	Total Funds Year to 31 August 2019
		£	£	£	£
INCOME FROM:					
Donations		34,362	14,519	48,881	26,188
Charitable activities		500,507	-	500,507	531,143
Other trading activities		110,450	-	110,450	152,267
Investment income		1,043	-	1,043	3,076
TOTAL	3	646,363	-	660,882	712,674
EXPENDITURE ON:					
Raising funds		-	-	-	-
Charitable activities		610,495	15,456	625,951	825,357
TOTAL	4	610,495	15,456	625,951	825,357
NET INCOME AND MOVEMENT IN FUNDS		35,868	(937)	34,931	(112,683)
RECONCILIATION OF FUNDS					
Total funds brought forward	14	(134,196)	41,608	(92,588)	20,095
RECONCILIATION OF FUNDS Total funds carried forward	14	(98,328)	40,670	(57,658)	(92,588)

The notes on pages 17 to 34 form part of these financial statements.

CLERVAUX TRUST

BALANCE SHEET
AS AT 31 AUGUST 2020
REGISTERED COMPANY NUMBER: 4295400

	Notes	31 August 2020 £	31 August 2019 £
FIXED ASSETS:			
Tangible assets	10	80,184	56,672
CURRENT ASSETS:			
Debtors	11	171,583	29,575
Cash at bank and in hand		61,904	63,656
		<u>233,487</u>	<u>93,230</u>
LIABILITIES:			
Creditors falling due within one year	12	<u>(371,328)</u>	<u>(242,491)</u>
NET CURRENT (LIABILITIES)/ASSETS		<u>(137,841)</u>	<u>(149,261)</u>
NET (LIABILITIES)/ASSETS		<u>(57,657)</u>	<u>(92,588)</u>
FUNDS			
Unrestricted funds		(98,328)	(134,196)
Restricted funds		40,671	41,608
	14	<u>(57,657)</u>	<u>(92,588)</u>

The financial statements were approved by the Board of Trustees on 15/02/2021 and were signed on its behalf by:



I K Clements
Trustee

The notes on pages 17 to 34 form part of these financial statements

**CASH FLOW
STATEMENT
AS AT 31 AUGUST 2020
REGISTERED COMPANY NUMBER: 4295400**

	NOTES	2020	2019
Cash flows from operating activities:			
Net cash provided by (used in) operating activities	19	41,153	68,322
Cash flow from investing activities			
Payments to acquire tangible fixed assets		(42,904)	(41,357)
Net cash provided by (used in) investing activities		(42,904)	(41,357)
Change in cash and cash equivalents in reporting period		(1,752)	26,965
Cash and cash equivalents at beginnig of the reporting period		63,656	36,691
Change in cash and cash equivalents at the end of the reporting period		61,904	63,656

The notes on pages 17 to 34 form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

1. ACCOUNTING POLICIES

Legal status of the Charity

Clervaux Trust Limited (Clervaux) was incorporated in England and Wales as a company limited by guarantee (registered no. 04295400) and has no share capital.

The liability of members in the event of winding up is limited to an amount not exceeding £10 per member; the number of members as at 31 August 2020 was three.

Clervaux is also registered as a charity with the Charity Commission (registered no. 1143033).

Registered and principal office

The registered office of Clervaux is Ruskin Mill, Millbottom, Nailsworth, Stroud, Gloucestershire, GL6 0LA.

The principal office of Clervaux is Clow Beck Centre, Jolby Lane, Darlington DL2 2TF.

Basis of accounting

The financial statements have been prepared in accordance with 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 2019) - (Charities SORP (FRS 102)) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The financial statements have been prepared under the historical cost convention.

The financial statements are presented in sterling (£) which is the functional currency of the charity. Clervaux Trust Limited meets the definition of a public benefit entity under FRS 102.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

Going concern

The charitable company meets its financing requirement through funding provided by other group companies, and Ruskin Mill Trust Limited, the ultimate parent undertaking, has provided assurances that such group financial support will continue to be made available.

During the Covid-19 pandemic Clervaux Trust Limited has continued to support its residents, either through home learning or on-site; this resulted in there being a very limited impact on Clervaux during this period. During this time, cash flow has been regularly monitored to make sure Clervaux Trust was able to meet all its commitments.

Working alongside Ruskin Mill Trust Limited, robust budgets are set, and the actual spend against these budgets is analysed on a monthly basis by both the Executive Team and the Board of Trustees Finance Sub-Committee. The full Board also receives the monthly management accounts and reviews them on a two-monthly cycle.

The group, headed by Ruskin Mill Trust Limited, has substantial net assets.

After making detailed enquiries and taking into account the factors discussed above, the Board is confident that the charitable company has adequate scope to continue its operational existence for the foreseeable future. There are no material uncertainties surrounding going concern and accordingly the charitable company continues to prepare the financial statements on a going concern basis.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

1. ACCOUNTING POLICIES (CONTINUED)

Fixed assets and depreciation

Assets with a cost below £500 are not capitalised.

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

Leasehold property	- 2% pa	- straight line
Equipment	- 25% pa	- straight line
Fixtures and fittings	- 25% pa	- straight line
Motor vehicles	- 25% pa	- straight line

Income

Donations are credited to revenue when the charitable company has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received, and the amount can be measured reliably.

Income from charitable and other trading activities is accounted for in the period in which the income is earned.

Investment income is accounted for on an accruals basis.

Cash and cash equivalents

The cash and cash equivalents of Clervaux Trust Limited, currently comprise the cash in hand, bank deposits and short term deposits net of bank overdrafts.

Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs 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 include consultancy, legal and audit fees.

Termination payments

Termination payments are accounted for as soon as the charitable company is aware of the obligation to make the payment.

Pension costs

The charitable company contributes to a defined contribution scheme. Amounts paid in relation to this scheme are charged to the Statement of Financial Activities when they fall due. All pension costs are allocated to unrestricted funds.

Debtors

Short-term debtors are initially measured at transaction price, less any impairment. Prepayments are measured at the amount prepaid.

Creditors

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are recognised at their settlement amount after allowing for any trade discounts due.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

1. ACCOUNTING POLICIES (CONTINUED)

Funds

Unrestricted funds can be used in accordance with the charitable objects 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 note 15 of these financial statements.

Financial instruments

Clervaux only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Please see note 14.

Significant estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The items in the financial statements where these estimates and judgements have been made include the following:

Useful economic lives of tangible assets

The annual depreciation charges for the tangible assets are sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on economic utilisation and the physical condition of the assets.

Operating leases

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities on a straight line basis over the term of the lease. Lease incentives are recognised over the life of the lease on a straight line basis as a reduction to the expense.

Taxation

The company is a registered charity and as such is entitled to tax exemption on all its income and gains, properly applied for its charitable purposes.

VAT

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

2. STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR to 31.8.19

		Unrestricted Funds	Restricted Funds	Total Funds Year to 31.8.19
	Notes	£	£	£
INCOME FROM:				
Donations		250	25,938	26,188
Charitable activities		531,143	-	531,143
Other trading activities		152,267	-	152,267
Investment income		3,076	-	3,076
TOTAL	3	686,736	25,938	712,674
EXPENDITURE ON:				
Charitable activities		813,383	11,974	825,357
TOTAL	4	813,383	11,974	825,357
NET INCOME AND MOVEMENT IN FUNDS		(126,647)	13,964	(112,683)
RECONCILIATION OF FUNDS				
Total funds brought forward	15	(7,549)	27,644	20,095
Total funds carried forward	15	(134,196)	41,608	(92,588)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

3. INCOME

	Year to 31 August 2020	Year to 31 August 2019
	£	£
Donation income	48,881	26,188
Charitable activities		
Fees	500,507	531,143
Other trading activities		
Café & bakery sales	108,305	141,194
Farm sales	1,758	11,073
Miscellaneous	388	-
	<hr/> 110,450	152,267
Investment income		
Rents received	1,043	3,076
Bank interest	<hr/> -	-
	-	3,076
TOTAL INCOME	<hr/> 660,882 <hr/>	712,674

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

4. EXPENDITURE

	Direct costs (See Note 5)	Support costs (See Note 6)	Year to 31 August 2020	Year to 31 August 2019
	£	£	£	£
Charitable activities				
Provision of education services	393,853	232,098	625,951	825,357
TOTAL EXPENDITURE	<u>393,853</u>	<u>232,098</u>	<u>625,951</u>	<u>825,357</u>

5. DIRECT COSTS OF CHARITABLE ACTIVITIES

	Year Ended 31 August 2020	Year Ended 31 August 2019
	£	£
Staff Costs	180,369	189,887
Independent workers	75,889	236,953
Training and welfare	3,278	2,314
Project costs	87,787	99,846
Household costs	17,347	34,374
Motor and transport	25,410	16,223
Governance	3,771	6,697
	<u>393,853</u>	<u>586,294</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

6. SUPPORT COSTS

	Finance	Other	Depreciation	Total Year to 31 August 2020
	£	£	£	£
Provision of education services	<u>4,599</u>	<u>209,043</u>	<u>18,457</u>	<u>232,098</u>

	Finance	Other	Depreciation	Total Year to 31 August 2019
	£	£	£	£
Provision of education services	<u>9,890</u>	<u>214,925</u>	<u>14,127</u>	<u>238,943</u>

7. NET INCOME

Net income is stated after charging:

	Year Ended 31 August 2020	Year Ended 31 August 2019
	£	£
Auditor's remuneration for the provision of:		
- statutory audit	4,000	4,000
- preparation of financial statements	-	-
Operating lease payments	92,159	90,947
Depreciation - owned assets	18,457	14,247

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

8. STAFF COSTS

	Year Ended 31 August 2020	Year Ended 31 August 2019
	£	£
Staff Costs:		
Wages and Salaries	162,382	174,975
Social security costs	15,602	12,733
Pension costs	2,385	2,179
	<u>180,369</u>	<u>189,887</u>

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

	Year Ended 31 August 2020	Year Ended 31 August 2019
	No	No
Care, support and administration	18	14
Management	2	2
	<u>20</u>	<u>16</u>

No key management personnel received remuneration in the current or previous period.

One employee received emoluments in the salary band of £60,000 to £70,000 in the current year; this is the same as 2019.

CLERVAUX TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR
THE YEAR ENDED 31 AUGUST 2020

9. TRUSTEES' REMUNERATION AND BENEFITS

No Trustees received remuneration in the current or previous period.

No Trustee expenses were reimbursed in the current or previous period.

10. TANGIBLE FIXED ASSETS

	Equipment	Fixtures and Fittings	Motor	Totals
	£	£	£	£
Cost				
<i>At 31 August 2019</i>	85,987	215,675	18,340	320,001
Additions	8,664	34,240	-	42,904
Disposals	(10,521)	-	(4,495)	(15,016)
At 31 August 2020	84,129	249,914	13,845	347,888
Depreciation				
<i>At 31 August 2019</i>	70,018	185,417	7,893	263,328
Charge for the year	7,790	6,175	4,491	18,457
Disposals	(10,521)	-	(3,559)	(14,080)
At 31 August 2020	67,287	191,591	8,826	267,704
NBV				
At 31 August 2020	16,842	58,323	5,019	80,184
<i>At 1 September 2019</i>	15,969	30,257	10,446	56,672

11. DEBTORS: AMOUNTS DUE WITHIN ONE YEAR

	Year Ended 31 August 2020	Year Ended 31 August 2019
	£	£
Trade Debtors	150,614	11,047
Amounts due from group undertakings	350	-
Prepayments	16,500	10,200
Other Debtors	4,119	8,328
	171,583	29,575

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 August 2020	31 August 2019
	£	£
Trade creditors	41,311	31,276
Other creditors	-	14,589
Amounts owed to group undertakings	283,661	160,335
Social security and other taxes	4,327	2,414
VAT	16,395	1,480
Accruals and deferred income	25,635	32,397
	371,328	242,491

Included in amounts owed to group undertakings is an interest free loan of £283,661 (2019: £160,336) from Ruskin Mill Trust Limited. The loan is due to be repaid by 31 August 2021 and as such no discounting has been applied on the grounds of materiality.

13. OPERATING LEASE COMMITMENTS

At the period end the charitable company has total commitments due under non-cancellable operating leases, for items of equipment only, as set out below:

	Year Ended 31 August 2020	Year Ended 31 August 2019
	£	£
Operating Lease commitments due:		
Within 1 year	88,159	80,372
Within 2 – 5 year	242,000	220,000
	330,159	300,371

CLERVAUX TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

13. FINANCIAL INSTRUMENTS

	31 August 2020	31 August 2019
	£	£
Financial assets measured at settlement value	216,987	83,031
Financial liabilities measured at settlement value	<u>324,972</u>	<u>224,007</u>

Financial assets measured at settlement value comprise cash, trade debtors, other debtors and amounts due from group undertakings.

14. RECONCILIATION OF MOVEMENT IN FUNDS

	<i>At 31 August 2019</i>	Income	Expenditure	At 31 August 2020
	£	£	£	£
Unrestricted funds				
General fund	(134,196)	646,363	(610,495)	(98,328)
Restricted funds				
York Resident Society	800	200	-	1,000
Friends of Clervaux	13,970	-	-	13,970
Root Store	1,501	4,500	(6,001)	-
Clervaux Minibus	(635)	635	-	-
Brother Jonathan Trust	2,000	-	(2,000)	-
Armed Forces Covenant	2,789	-	-	2,789
Clervaux Development - The Fold	21,183	200	(7,022)	14,361
Military Green woodwork Course	-	3,984	-	3,984
Defibrillators	-	100	-	100
Covid-19 Donations	-	2,900	(433)	2,467
Apple Juice Pasteuriser	-	2,000	-	2,000
	<u>41,608</u>	<u>14,519</u>	<u>(15,456)</u>	<u>40,671</u>
TOTAL	<u>(92,588)</u>	<u>660,882</u>	<u>(625,951)</u>	<u>(57,657)</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

15. RECONCILIATION OF MOVEMENT IN FUNDS (CONTINUED)

York Residents Society	A further £200 has been received for York residents. This donation can be spent on activities or equipment.
Friends of Clervaux	These funds have been provided to run workshops and events for Young Mums. The Covid-19 pandemic has meant that these workshops and events have not been able to go ahead this year.
Root Store	Donations of £4,000 from the Bramble Trust and £500 from the Catherine Cookson Charitable Trust have been received in the year. This has enabled Clervaux Trust to complete the Root Store which had original funding from Tesco Bags of Help.
Clervaux Minibus	The final donation of £635 was received this year. This was used for the purchase of the minibus in 2018.
Brother Jonathan Trust	These funds have been received to run summer camps for young children. These funds have been spent on the purchase of equipment and tools for these events.
Armed Forces Covenant	This donation was received from the Armed Forces to work alongside the armed forces by running summer camps and family days for the families of armed forces personnel. The Covid-19 pandemic has meant that these events have not been able to go ahead this year.
Clervaux Development - The Fold	<p>Alongside the donations that were received last year, an additional £200 donation has been received from the ASDA Green Token scheme. This donation has been granted for the purchase of kitchen equipment at The Fold.</p> <p>There has been expenditure of £7,022 in the year on the Clervaux development. This has included £3,000 on Shorthorn heifers for breeding, as well as equipment for the site.</p>
Military - Green Woodwork Course	North Yorkshire CC has donated £3,984 to Clervaux Trust. This donation is for Clervaux to run a green woodwork course to military families.
Defibrillators	Clervaux Trust are raising funds for the purchase of a defibrillator to be kept on site.

CLERVAUX TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

15. RECONCILIATION OF MOVEMENT IN FUNDS (CONTINUED)

Covid-19 Donations	<p>Hadrian's Trust has donated £2,000. This donation has been received to run a nutritional fast food scheme for NHS staff in the local area.</p> <p>A £400 donation was received for the purchase of PPE equipment for staff.</p> <p>Groundworks has donated £500 for the purchase of sat navs. These sat navs enable the veg box deliveries to reach additional Darlington residents during the Covid-19 pandemic.</p>
Apple Juice Pasteuriser	<p>A donation of £2,000 was received from the Jack Brunton Trust, the donation is to be used to purchase an apple juice pasteuriser. This will enable Clervaux Trust to produce apple juice and sell it through the veg box scheme.</p>

	At 31 August 2018 £	Income £	Expenditure £	At 31 August 2019 £
Unrestricted Funds				
General Fund	(7,549)	686,736	(813,383)	(134,196)
Restricted Funds				
Friends of Clervaux	609	-	(609)	-
York Resident Society	600	200	-	800
Friends of Clervaux	13,970	-	-	13,970
Root Store	456	1,250	(202)	1,504
Clervaux Minibus	1,335		(1,973)	(638)
Brother Jonathan Trust	597	2,000	(597)	2,000
Armed Forces Covenant	10,076	-	(7,287)	2,789
Clervaux Development - The Fold	-	21,183	-	21,183
Green Woodwork - The Fold	-	1,305	(1,305)	-
	27,644	25,938	(11,974)	41,608
TOTAL	20,095	712,674	(825,357)	(92,588)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

2020	Fixed Assets	Net Current Assets	Fund Balance
Unrestricted funds	80,184	(178,512)	(98,328)
Restricted Funds	-	40,671	40,671
	80,184	(137,841)	(57,657)

2019			
Unrestricted Funds	56,672	(190,868)	(134,196)
Restricted Funds	-	41,608	41,608
	56,672	(149,261)	(92,588)

17. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

Ruskin Mill Trust Limited (registered in England and Wales; company number: 07252866 and charity number: 1137167) is the sole member and controlling party of Clervaux Trust Limited. The objects of Ruskin Mill Trust Limited include the advancement of the education of young people with learning difficulties and/ or behavioral problems or special educational needs; the promotion of research into the practice and development of those areas of education; and the promotion of Rudolf Steiner education establishments. The charitable company runs six special educational needs schools/colleges. A copy of their financial statements can be obtained from the Registrar of Companies, Companies House, Crown Way, Cardiff CF14 3UZ.

18. RELATED PARTIES

During the current and prior year, the Executive Chair was the director and sole corporate Trustee of Ruskin Mill Land Trust (RMLT). At the year-end, there was a loan due from RMLT of £nil (2019: £nil). No interest is to be paid on this loan, and there are no associated guarantees or securities. There have also been purchases of £59,159 (2019: £52,872), these purchases relate to the annual rental of the Clow Beck site as well as Bishop's House.

19. RECONCILIATION OF OPERATING GAIN TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2020	2019
Net incoming resources before gains/(losses)	34,931	(112,683)
Non operating cashflows eliminated:		
Depreciation of tangible fixed assets	18,457	14,247
Loss on disposal	936	-
Decrease / (Increase) in debtors	(142,008)	58,424
Increase/(Decrease) in creditors	128,837	108,334
Net cash inflow from operating activities	41,153	68,322