

Dartington Trust

The Dartington Hall Trust

**Annual report and financial statements
for the period 1 April 2019 to 31 August 2020**

Registered Charity Number: 279756

Registered Company Number: 01485560

To be a creative catalyst for more just and sustainable ways of living

The Dartington Hall Trust

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Annual report and financial statements for the period 1 April 2019 to 31 August 2020

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The Dartington Hall Trust

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Chair's statement

Annual report of the Trustees for the period 1 April 2019 to 31 August 2020

The Trustees of Dartington Hall Trust are pleased to present their Annual Report together with the consolidated financial statements of the charity and its subsidiary companies for the period ended 31 August 2020. These have also been prepared to meet the requirements for a directors' report and financial statements for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006 and 'Accounting and Reporting by Charities', the 2019 Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

The legal and administrative information set out on page 51 and the Report of the Trustees set out on pages 4 to 21 form part of this report.

Chair's statement



"...we now have an exciting vision and a realisable strategy for the Trust – one that can help us all contribute to making a progressive difference in the world."

I am very pleased to present the Annual report of the Dartington Hall Trustees for the 17 month period ended 31 August 2020, an extended financial year. The change in our financial year – to conform with an academic calendar – is in itself telling of the great progress made at Dartington Trust over the past 17 months, as we focus on learning.

Following a year in which the Trust spent heavily in a failed attempt to raise finance for what may in retrospect have been an over-ambitious development strategy, the Board took the difficult decision to change our management structure. We appointed a new collaborative Directorate team. The Directorate was charged with the immediate task of getting a firm grip on finances, especially in relation to the significant and recurring annual deficit that had plagued the Trust for many years. Within several weeks, the new team had charted a way forward, including limited asset sales and further cost reductions, to create space and time for a fundamental rethink of the old strategy.

At the same time, the Board re-examined its own work and composition. Through an active programme of public recruitment, we brought seven new Trustees onto the Board during the financial year. The new Trustees – several of whom are resident in the Southwest – brought deep new skills and experience to the Board, which we believed were very important to enable a critical rethink of the strategy and implementation of new objectives.

Before we could even embark on strategic planning, however, Covid struck in the UK and the Government's initial lockdowns were imposed in March 2020. Dartington estate had to shut down completely, temporarily, while we put in place the health and safety measures that would protect staff and visitors as we were slowly allowed to open some facilities. While much of our business stopped for a while, our governance and management did not. Trustees and senior managers embarked on an intensive period of planning – almost entirely through virtual meetings. We examined carefully our finances, both historic and current; reasserted our charitable purpose; crafted a new vision for the Trust and developed a new strategy that will enable us to fulfil our social aims and obligations while securing our long-term sustainability.

The Dartington Hall Trust

To be a creative catalyst for more just and sustainable ways of living

Chair's statement

Rebranding ourselves The Dartington Trust, our mission is to be a creative catalyst for more just and sustainable ways of living. That means shaping our activities and operations to be a centre for transformational learning, particularly in ecology, arts and social justice. It also means developing and using the ability to effect regenerative change, which will help create a more just and sustainable world. This new mission and purpose draw on the progressive legacy of the Trust but position us to use the experience of that legacy to look forward into the 21st century and to reframe our values in a way that is relevant and appropriate for the challenges and opportunities of our time.

As this report describes, implementation of that new strategy has begun. There are many existing strengths to be built upon, like Schumacher College, the International Summer School of music and our Research in Practice enterprise, which supports social care professionals across the country; there are new developments underway, like the re-establishment of a School of Art and its associated courses; and there are some things of the past that we now recognise are not germane to our new mission and that we should close, like a conventionally run hotel.

Already the early signs of success are there. Student enrolment in our new learning programmes is vastly exceeding expectations; Research in Practice – now more needed than ever – is growing in its impact; our arts offerings are expanding; festivals of ecology, arts and social justice are scheduled for the coming year; and, while our restaurants and accommodation are safe and busy – lockdowns notwithstanding – we no longer maintain a hotel. And learning has become the central focus of all we do, including in our own ways of working.

This has only been achieved through hard work and steady commitment from staff and Trustees, sometimes in the face of difficult questions from critical friends. We have persisted and collaborated and now have an exciting vision and a realisable strategy for the Trust – one that can help us all contribute to making a progressive difference in a world filled with complexity and confusion but also with terrific opportunities.

On behalf of all of the Trustees, I extend our deep thanks to all of those who have given their energy and support to help us envisage an exciting future and to begin to recreate a place and a space for contributing to a better world.



Dr Greg Parston
Chair of the Dartington Hall Trust

The Dartington Hall Trust

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Strategic Report

The strategic report should be read in conjunction with the Impact Review and Financial Review

Renewed Focus, Mission and Purpose

We live in a time of climate crisis, mass extinction, obscene inequality and are in the midst of a global pandemic. How might Dartington contribute to meeting the needs and challenges of our time?

In 2020, Dartington Trust carried out a fundamental review of strategy and structure. The outcomes of this are presented here and show a renewed commitment to progressive learning in the arts, ecology and social justice with the aim for the Trust to be a creative catalyst for more just and sustainable ways of living and learning.

Recent Context

In 2019, a new Directorate team was established, initially to stabilise the organisation and then to work with Trustees to fundamentally review the work, mission, operations and finances of the Trust.

To begin with we set out to: establish a focus on learning; restructure the organisation in order to deliver savings; reduce replication across departments; and to increase focus and integrated delivery of operations. In order to finance the renewal process a number of residential properties were sold along with land for development. These sales were agreed with the proviso that we commit to refresh the vision and strategic plans for the delivery of our mission along with a robust financial plan.

By March 2020 reorganisation and asset sales had delivered significant savings and established a more secure financial platform. This process involved 22 redundancies. At the same time the Covid pandemic hit and the Trust, along with organisations worldwide, had to shut down most of its activities and revenue streams. As a consequence of Covid, further cost savings and redundancies were made, increasing total redundancies to 54 for the period.

It was decided that the initial work to concentrate activity on learning was a cohering focus for the Trust. This was supported by the early indications that growth in learning was possible with limited and targeted investment. It was agreed that the focus on learning was to be tested by a thorough strategy review involving the whole board, directorate and senior staff.

The learning programmes up until this point had been focussed on long-residency Masters degrees at Schumacher College and short courses. The Masters degrees were expensive, and therefore exclusive, and were generating a deficit because of the costs of delivery. The short courses were accessible and profitable but limited in growth due to the lack of coordinated support and having to compete with other providers and events. It was clear that reorganisation offered an opportunity to shape the organisation, and use of facilities, to better support learning. This was accompanied by a major redesign of all of the accredited degree courses.

Learning at Dartington has always been founded on the pedagogic principles of Rabindranath Tagore and John Dewey with commitment to education that involved the 'head, hand and heart' and based upon experiential, project-based learning. These principles are increasingly recognised across the education sector which creates an opportunity for Dartington to be at the forefront of holistic learning that engages with the major challenges of our time. Following redesign all learning programmes are now committed to short, intensive periods of collaborative learning. This model is resource efficient and pedagogically powerful. Universities UK, the Higher Education Academy, Ashoka and Global Learning Futures are among the many bodies that advocate for this approach.

During this time we committed to the process of applying for Office for Students registration, which has since the period end been confirmed, and started the groundwork to establish Dartington Trust as an Independent Research Institute.

Strategy Process

The strategy review process was conducted during the challenging period of the first National 'lockdown' and involved the whole Trustee board, including new Trustees, the Directorate and a selection of key staff from across the organisation.

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Strategic Report

Consistent feedback throughout the strategy process was that we should focus on our strengths. The pedagogy, research and physical environment combine to create a world class offer. Committing the whole estate to learning will allow us to demonstrate a lived commitment to regenerative culture and values with the potential to inspire every visitor, participant, student and employee.

Emerging focus on learning, the arts and the work of research in practice

During the Covid pandemic, it has been widely recognised that the arts are not an optional extra in life but a vital part of how we engage with each other, the world, and how we make sense, find purpose and express and share all that it is to be human.

A commitment to a year-round arts programme will allow us to build audiences, curate and host festivals throughout the year that support the arts and artists as well as engaging with pressing themes and issues. The Arts Council was conceived at Dartington in 1946 to support the arts to speak truth to power in a time when they had been co-opted for propaganda – in a ‘post-truth world’ the arts have never been more important.

The concentration on Learning will build upon our ‘arts, sustainability and learning’ legacy and focus on the powerful and impactful work that made Dartington a beacon of hope and inspiration to many. The Dartington Trust is ideally placed to expand its learning programmes and significantly increase its offer of transformational learning in the areas of arts, ecology and social justice.

The increase in contracts for Research in Practice (RIP) over past 12 months is testament to the desperate need for evidence informed practice to serve those delivering crucial social care.

We have fantastic studios, performance spaces and reputation to recreate a year-round arts programme that will attract greater numbers of visitors. This increased footfall will help recreate a vibrant thriving culture at the heart of the estate that will also be good for business.

Outcomes of the strategy process

- A cohering focus on progressive learning in the arts, ecology and social justice
- A smaller, focussed organisation with empowered leadership across the organisation
- Commitment to accelerate growth in learning
- Commitment to the vital work of Research in Practice
- A year-round arts programme with a four-season structure and new gallery
- Open a new arts school
- Optimise the retail offer to ensure profitability with a focus on food and crafts
- Unify the hospitality, food and beverage offer under one coordinated team.
- Commit the physical resources of the estate to learning and the arts.
- Deliver the Plantation development
- Establish project groups to consider futures for buildings with ‘heritage deficit’ challenges
- Establish Hex and Gym as an arts venue
- Commit to resource efficient, ‘mutual benefit’ partnerships for the co-delivery of our mission

Update on progress of delivery of outcomes

A cohering focus on progressive learning in the arts, ecology and social justice

We have a fresh articulation of our mission:

To be a creative catalyst for more just and sustainable ways of living

A smaller, focussed organisation with empowered leadership across the organisation

We have completed the second phase of an organisational restructure. This was a challenging process that unfortunately resulted in 54 redundancies (27 voluntary and 27 compulsory). We are now in the shape we need to deliver the mission.

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Strategic Report

A Leadership team has been established so that collaboration and matrix team-working is encouraged and facilitated. Members of the leadership team attend Directorate meetings on a rotating basis.

Commitment to accelerate growth in learning

We have been successful in redesigning new courses so that the learning models are transformational, affordable and accessible. We had confirmation of our **registration with the Office for Students**. The OfS registration allows students to secure a loan for their postgraduate study. The successful registration has helped drive **record levels of recruitment**. In 2019 we recruited 23 postgraduate students. The targets set for 2020 were 70 postgraduate students, a significant increase but based on the more accessible delivery models and OfS registration. Thus far we have recruited 111 students to the 2020/21 postgraduate courses. We continue to expand the learning portfolio and plan the launch of 6 further undergraduate and postgraduate courses in 2021.

An expanded short course offer means that we are on track with our ambition to have an average of 300 learners on site fifty weeks of the year.

We have entered into a research partnership with Westminster University including a PhD programme. The partnership will allow us to support a small number of funded PhD studentships as well as planning collaborative research events, seminars and symposia. Westminster have a research cluster dedicated to 'Climate Change Narratives'.

Recruitment of staff for the delivery of new MA programmes has focussed on those who bring a PhD. This has allowed us to make rapid progress in our aim to reach the point where we have sufficient staff with research credentials in the form of PhD supervision and research outputs to be able to apply to be recognised as an independent research institute. Once we have achieved this status, we will be able to lead or partner research bids to further resource our ambitions. We expect to achieve this aim in 2021.

Commitment to the vital work of Research in Practice

The recognition and call for the work and services of Research in Practice continues to grow with demand increasing during the Covid pandemic. Research in Practice now delivers programmes and support to 83% of local authorities nationally, delivering impact along with a significant financial contribution to the Trust.

A year-round arts programme with a four-season structure and new gallery

We opened a gallery in the Granary in May 2021. The gallery will host 8 exhibitions per year with work from: incoming arts and other academic staff; local and regional artists and arts groups; nationally and internationally renowned artists making work engaged with issues and practice related to our mission; work from our collection; and touring exhibitions. We plan to launch the gallery as part of the first festival of 2021. Exhibitions planned for 2021 include: Jo Joelson, Tine Bech, Martin Shaw, SW Sculptors, Simon Bayliss, Tom Hammick and Susan Derges, and co-curated exhibitions with Cyland and Dartington International Summer School.

A Programming group has been established to oversee annual festivals and the gallery programme. 2021 will see four festivals starting in spring with the Thrive Festival of food and crafts. This will be followed by the Music Summer School. Anna Frants has been engaged to curate a 'Cyfest' Dartington in autumn and Ashish Ghadiali has been appointed to programme an arts and social justice festival that will focus on race, land, identity and power to coincide with the COP26 Climate Summit.

Open a new arts school

In September 2020 we officially launched the new Dartington School of Arts. We designed two Masters Degrees to begin with: MA Poetics of Imagination and MA Arts and Place. We have three more arts degrees in development with an expected start date in autumn 2021.

Optimise the retail offer to ensure profitability with a focus on food and crafts

Following the restructure, the shops are now able to operate efficiently (subject to covid restrictions) and are expected to generate a profit. We plan to maintain a profitable retail offer over the next 12-18 month and gradually increase the focus on food and crafts supporting local makers and producers wherever possible. During this time we can more fully explore possible futures for the Cider Press Centre.

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Unify the hospitality, food and beverage offer under one coordinated team

We appointed Sam Walton as Head of Accommodation and Food Services and Tara Vaughan Hughes as Head of Food reporting to Sam. Tara will coordinate chefs across the Green Table, Higher Close Kitchen, The White Hart and eventually the Old Postern. This, along with the acquisition of Artifax for space booking has allowed us to make great advances in working as a unified team. This extends to the sales and marketing teams who are working closely together for the first time to promote the work of the whole trust.

We have committed to explore the potential of our food outlets as music venues (Green Table and White Hart). We programmed 7 weeks of 'Great Lawn Sessions' which were well attended. Alongside this we delivered socially-distanced, family open air theatre performances on the Great Lawn with Heartbreak Productions which were over-subscribed and open air cinema on the Private Lawn.

It was clear that there is a need for social congregation and connection and that we can play a significant part in meeting this need. The Covid situation changes regularly and it will be challenging to commit to a fixed programme, but it was extremely encouraging to see great attendance on the Private Lawn for the live cinema and heartening to see so many people turn out for the Great Lawn sessions

Commit the physical resources of the estate to learning and the arts.

We will no longer maintain a hotel. We aim to increase occupancy levels of all spaces through arts and learning programmes. The structure of the programmes will be such that private and corporate hires will still be possible to programme and will continue to be part of the business model.

Deliver the Plantation development

Plans have been developed and we are about to submit the detailed planning application for the construction of 52 homes on the estate – a modular housing scheme designed by the world-famous firm of architects led by Richard Rogers. We anticipate that construction will begin in late 2021/early 2022.

Establish project groups to consider futures for buildings with 'heritage deficit' challenges

It is clear occupied buildings are less likely to deteriorate and the Trust and partners can benefit from access and use. A number of our buildings require levels of investment that would not be justified by eventual value either financial or in terms of use. Wherever possible we have committed to active use of spaces. Aller Park School has become a base for artists residencies and studios that have produced public exhibitions and film screenings. High Cross House had been available for only limited use up until this year. We raised funds for paint and to repair the external façade. This iconic modernist building is now looking resplendent in original blue and white and is fully used as a base for teaching and learning. We have established project groups to consider possible futures and finance options for Aller Park, the Cider Press centre and Foxhole.

Establish Hex and Gym as an arts venue

The roof at Hex and Gym has been repaired and a biomass boiler fitted. The local special needs school needed extra space in the months from July 2020 – June 2021 so we have welcomed them into the space until then. The Hex and Gym will then re-open as an arts venue and will be in full use in time for the 2021 Summer School of Music.

Commit to resource efficient, 'mutual benefit' partnerships for the co-delivery of mission

We have established partnerships with:

1. Canopy and Stars to market and rent out our Fisherman's Cabin and Shepherds Huts
2. The Cyland Foundation to co-curate two multi-artform autumn festivals on the theme of Fermentation. Cyland will part-fund these festivals.
3. Arts organisations (as listed above) to co-deliver one of our MA programmes including: Cornubian Arts and Science Trust, Outlandia Glen Nevis, Allenheads Contemporary Arts, Ovada Oxford, Peacock Visual Arts Aberdeen, and are working on the details of a partnership with TATE Modern.

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Strategic Report

4. We are working on the details of a 5-year Memorandum of Understanding with the Woodland Trust. This partnership will build on our existing collaboration to co-design short courses, degree and PhD programmes; collaborate on the next steps of founding the Institute for Regenerative Food, Farming and Forestry, commit to the Productive Rewilding of parts of the estate following regenerative agroforestry principles
5. We have begun discussions with English Touring Theatre about becoming a regular venue (possibly two shows per year) and embedding senior staff in curriculum development (MA Reimagining Performance) to align our organisations and deepen collaboration with a focus on engagement and audience development

To conclude, the initial stabilisation of the organisation was successful but further challenges were presented by the pandemic. As a result of the strategic review, we have a refreshed mission and purpose. We are well underway with the delivery of that plan with very good early signs that the focus on progressive learning in the arts, ecology and social justice can deliver positive impact whilst contributing to the financial viability of the organization. The brilliant work of Research in Practice is recognized in the new contracts and increasing reach of the work. We were excited to see the successful launch of the new arts school and are excited about the expansion of the arts programmes. Dartington has an important place in the history of arts and education and we are confidently building on that legacy not by replicating the past but by creating contemporary forms of experiment in education, radical pedagogy and support for artists and the arts.

The arts school and Schumacher College are committed to delivering transformational learning and with new, dynamic, affordable and accessible programmes we are confident we can do that. With record levels of recruitment, we can see that we are meeting demand for learning that engages with the great challenges of our time and supports regenerative culture.

The estate still presents issues to resolve but we are getting much greater use out of our built assets and gradually upgrading or restoring where we can. There is much to do but we have come a long way in a short time. We have increased creativity, focus and resilience in the organization now and feel confident that a thriving Dartington is emerging.

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Impact review

Increasing Dartington Trust membership: We have expanded our network of members and supporters. The Membership Scheme was re-launched in May 2019 where we revised our pricing structure. With the overall increase in numbers of members, the membership value income has increased by 257% for the period to 31 August 2020 (157% on like for like basis).

Making study more affordable: We reduced fees for postgraduate degrees by over 30% so that they are now below the national average. This combined with a successful application to the Office for Students means that UK students can apply for a loan for the total cost of study.

Making study more accessible: We have shifted to a blended learning model – combining online and in-place study and more of our post graduate programmes are part time to enabling people to combine study and work. We are also running online only short courses from sustainable horticulture through to painting workshops.

Increasing take-up of courses– We expanded our postgraduate student numbers from 23 students to 111 and plan to grow to 250 students in 2021/2022.

Recognition for excellence: Schumacher College was recognised in the national Green Gown Awards for Sustainability in Education and Holistic Science alumnus and trustee Nigel Topping selected to join Cop 26 as high-level Climate Action Champion.

Expansion of our learning offer: Launching Dartington Arts School (Poetics of Imagination MA + Arts and Place MA) to once again make the Dartington Estate a centre for progressive arts and expanding our range of courses at Schumacher College.

Summer School of Music: We celebrated an historic 70th year in 2019 with musical director Joanna Macgregor OBE, acclaimed concert pianist and head of piano at The Royal Academy of Music. We welcomed the appointment of Radio 3 broadcaster curator/author and proms Sara Mohr Pietsch as her successor. In summer 2019 we sold over 7,000 tickets to events and concerts value £64,421. Summer School has many patrons and life members as supporters who make significant annual financial contributions. Over £47,000 was raised towards the cancellation fund for summer 2020.

Supporting young people: We helped 20 people with skills development and training by supporting them to work as production volunteers at our Summer School of Music in 2019. Our first Family Orchestra day with Torbay Symphony Orchestra was a sell-out.

Supporting social justice: Research in Practice continues to expand and is now used by (83%) of local authorities in England. This comprises contracts with 135 partner organisations that work with children and families 73 that work with adults.

Developing our trustee expertise: Recruited seven new trustees to join Dartington Trust who come with a range of stellar achievements in economics, the arts and sustainable food production.

Developing our academic expertise: Recruitment of eight members of staff to our faculties to support our post graduate programme. All new staff have PhDs and research portfolios. Increasing staff with research and research supervision experience is part of our strategic move towards becoming an independent research institute capable of leading bids for research and funding.

Protecting wildlife - Ensuring the estate is a home to a diverse range of flora and fauna which already includes kingfishers, otters and barn owls. We have now identified 19 varieties of fungi on the estate that are included in the International Union for Conservation of Nature's (IUCN) Red List under categories at risk of disappearing completely.

Continuing to restore buildings – improvements to High Cross House and with a generous £2 million donation repairing the roof of the 15th Century Old Postern, home of Schumacher College

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Impact review

Low impact stays - expanding the chance to stay on the estate in a low impact manner with campsite sales up 47.8% from £30,665 to £45,312.

Raising our profile – appearances in regional and national media including BBC Radio 3, New Scientist, BBC Radio 4 (Farming Today), BBC TV, The Times, The Daily Telegraph.

Developing outdoor spaces – We continue to expand the use of our outdoor spaces with Outdoor cinema, three successful visits from children's open-air touring theatre company Heartbreak Productions as well as a variety of music at the Great Lawn Events.

Barn Cinema - During the period the Barn Cinema was open, it maintained strong audience numbers and increased our audience development activities. We hosted a variety of speakers such as a high profile film editor (from the film Rocketman), various directors including Mark Jenkin (*Bait*), artists, local charities and academics from Universities of Exeter and Plymouth. And it once again took part in Into Film festival in late 2019, introducing many young people to the cinema experience for the first time. The Barn also received various funding totalling £16,000 including from the Film Hub South West Cinema Incentive Scheme and the BFI FAN COVID 19 Resilience Fund.

Going online - 5,481 people booked onto the 2 series of Joy of Six, pandemic focussed online Earth Talks. From this series we received more than £8,000 of donations throughout lockdown. 20,412 people have watched the Joy of Six Earth Talks on Youtube since.

We had already begun to develop our virtual online open day platform in 2019, meaning we were well placed for the challenges of 2020. More than 648 potential students from around the world have joined us for online open days, with smaller more intimate live sessions with faculty and staff also attracting strong numbers and engagement.

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Financial review

Financial Review

Following the fundamental review of strategy and structure, the Trustees and the Directorate have revisited the financial plan for the forthcoming years building on the previous year's progress. Creating a financially sustainable organisation where each of the activities of the Trust cover the operating costs and generate small surpluses is our goal – we believe that this will be achieved in 2022/23. Trustees and the Directorate also recognise that operations with social purpose cannot be expected to cover the heritage costs of a listed estate or to finance the restoring of large dilapidated listed assets. These will only be resolved through generating capital receipts through development or significant philanthropic and grant funding.

Going Concern

The Charity and Consolidated financial statements have been prepared on a going concern basis.

The Trust has reported a deficit for the 17 month period ended 31 August 2020 and, reflecting the impact of the Covid-19 pandemic, is forecasting a deficit and cash outflow for 2020/21.

On 31 March 2021, the City Bridge loan of £1.25m was repaid and on 28 June 2021 a loan facility of £3m from Triodos Bank was agreed and drawn down. This facility is secured on £5m of residential property and is subject to covenants but these do not come into effect until the year ending 31 August 2023.

The Trust has prepared cash flow forecasts through to 31 August 2022. In these forecasts, the Trust has considered:

- Current operating performance. The Trust has performed in line with the 2020/21 operating budget to date
- On-going impact of Covid and the related restrictions and impacts on people's behaviour
- Continued ability of the Trust to realise capital receipts from the sale of non-core assets. Currently, a selection of these assets are being marketed for sale
- Committed proceeds from development assets

In preparing the cash flow forecasts, the Trustees have considered the ongoing impact of the Covid pandemic. The principal consideration relates to the extent to which students will return to the Estate (as opposed to learning remotely) and the ability of the hospitality and retail facilities on the Estate to generate the forecast levels of cash flow. The cash flow forecasts have been sensitised to consider a range of potential scenarios and the Trustees are satisfied that in all such reasonably expected scenarios, the Trust will be able to continue to settle its liabilities as they fall due for a period of at least 12 months from the date of signing these financial statements.

When considering the ability to generate capital receipts from the sale of non-core assets, the Trust has considered the assets available, the market demand for such assets and historic performance in disposal of similar assets.

On the basis described above, the Trustees have concluded that they have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Change of Accounting Reference Date

During the period under review, the Accounting Reference Date was changed from 31 March to 31 August, to align with the academic year. Accordingly, the financial statements have been prepared for a 17 month period to 31 August 2020. The comparatives are for the year ended 31 March 2019.

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Financial review

Income

| | 2019/20 | | 2018/19 | | Pro rata |
|-----------------------------|---------------|--------------|---------------|--------------|----------------|
| | £'000 | Ratio % | £'000 | Ratio % | variance |
| Total income | | | | | |
| Charitable activities | 10,238 | 51.1 | 7,396 | 43.8 | (169) |
| Trading activities | 6,965 | 34.7 | 6,071 | 36.0 | (1,155) |
| Donations and legacies | 886 | 4.4 | 2,241 | 13.2 | (1,616) |
| Investment and other income | 1,602 | 8.0 | 1,179 | 7.0 | (48) |
| Government grants | 366 | 1.8 | - | - | 258 |
| Total income | 20,057 | 100.0 | 16,887 | 100.0 | (2,730) |

Total income increased from £16.9m in the 12 months to 31 March 2019 to £20.1m in the 17 months to 31 August 2020, a reduction of £2.7m (16.2%) on a like for like basis

Charitable income declined, pro rata, by 2.3%, a result of the absence of courses and fee paying activity on the estate due to Covid.

Trading income declined, pro-rata, by 19.0%. This reflects the significant impact on the Trusts activities of Covid and the related restrictions on hospitality and retail.

| | 2019/20 | | 2018/19 | | Pro rata |
|-------------------------------|------------|--------------|--------------|--------------|----------------|
| | £'000 | Ratio % | £'000 | Ratio % | variance |
| Donations and legacies | | | | | |
| Individuals | 274 | 30.9 | 2,174 | 97.0 | (1,981) |
| Legacies | 612 | 69.1 | 67 | 3.0 | 365 |
| Total Income | 886 | 100.0 | 2,241 | 100.0 | (1,616) |

In 2018/19 an anonymous donation of £2m was received by Schumacher College Foundation (a Trust controlled entity) to support Schumacher College and specifically to fund the Old Postern roof repairs. Excluding this gift income from donations and legacies increased by 160% on a pro rata basis.

Investment income remained relatively static year on year, albeit rents received were reduced, pro rata, due to the sale of certain properties and the requirement to show forbearance to tenants given the Covid situation.

Expenditure

| | 2019/20 | | 2018/19 | | Pro rata |
|---|---------------|--------------|---------------|--------------|----------------|
| | £'000 | Ratio % | £'000 | Ratio % | variance |
| Total expenditure | | | | | |
| Charitable activities | 14,994 | 65.1 | 11,661 | 60.2 | (231) |
| Trading activities | 6,736 | 29.3 | 6,081 | 31.4 | (1,263) |
| Investments | 530 | 2.3 | 945 | 4.9 | (571) |
| Raising funds | 140 | 0.6 | 162 | 0.8 | (63) |
| Defined benefit pension scheme | 622 | 2.7 | 532 | 2.7 | (93) |
| Total expenditure before exceptional costs | 23,022 | 100.0 | 19,381 | 100.0 | (2,221) |

Total expenditure at £23.0m is £3.1m lower on a like for like basis, a reduction of 16.1% compared to an increase of 8% in the previous year. This demonstrates the Trustees' and Directorate's commitment to delivering financial sustainability through both margin growth and expenditure control

During the year exceptional costs of £1.3m (2019: £1.2m) were incurred, this included the write off of assets under construction, previously held as project investment expenditure and redundancy costs relating to the new strategy and structure of the organisation.

Net deficit before net gains on investment and actuarial losses on the defined benefit pension scheme

The net deficit, before net gains on investment and actuarial losses on the defined benefit pension scheme, was £4.3m, compared to £3.6m for the year to 31 March 2019. Whilst it is disappointing to have continued operating deficits at this level, given the context of Covid, the Trustees note the progress achieved.

The Dartington Hall Trust

To be a creative catalyst for more just and sustainable ways of living

Financial review

Net gains on investment totalled £3.1m in the year (2019: £9.4m). The previous year's gain was significantly impacted by the uplift in values as a result of the allocation of certain of the Trust's freehold land in the South Hams Joint Local Plan.

The actuarial loss on the closed defined benefit pension scheme for the year was £1.3m (2019: loss £0.5m).

Overall the total movement in funds for the 17 month period to 31 August 2020 was a reduction of £2.5m decreasing total funds to £34.1m at the end of the period.

Fixed assets

Assets under construction decreased by £541k during the period. The assets held as project investment expenditure at the start of the period, valued at £919k were reviewed as part of the new strategy. The decision was taken to write these costs off in the period and this is reported as an exceptional item. The £378k addition to Assets under Construction represents the grant funded work being carried out on the Old Postern roof.

Investments

Under its Memorandum of Association, Dartington has the power to invest funds not immediately required for charitable purposes. The Trustee Board monitors investment performance and has agreed a medium risk, capital preservation approach to investment management in the medium term.

The investments mainly comprise of investment properties, held at valuation. A revaluation surplus of £1.5m was recorded during the period under review.

Defined Benefit Pension Scheme

The deficit in the Defined Benefit Pension Scheme increased from £2.8m to £3.3m during the period under review, principally driven by the actuarial losses of £1.3m and costs relating to the scheme (including past service costs) of £0.4m, offset by contributions made by the Trust of £1.2m.

During the year assets have been disposed of to fund the majority of the deficit at the last funding valuation and consequently no annual payments under the recovery plan are required.

Reserves policy

Dartington relies on a mixture of income from a variety of sources to fund core programmes as well as a continued investment in our land and buildings. We are committed to achieving a financially sustainable future for our programmes and the estate through our new strategy and it is important, therefore, that we hold sufficient reserves to ensure we can continue to fulfil our commitments while we work towards that future.

When considering our reserves policy, the Trustees take into account our financial position and our assessment of the various risks Dartington faces at any particular time.

Consistent with last year the Trustees have decided that it is appropriate to hold general reserves at a level of 2 to 3 months' operating expenditure. This is considered to be an appropriate level given the variety of the Trust's income sources and the Trust's ability to quickly reduce variable costs in the event of reductions in income. General reserves at 31 August 2020 are £2.4m (2019: £2.1m). This represents 1 - 2 months' of current year operating expenditure which is considered appropriate.

The reserves level is reviewed each year and our reserves policy will be regularly reviewed throughout the period of investment and strategy implementation.

General fund

The general fund is not restricted nor designated for use on a particular programme or some other purpose such as the maintenance fund. In 2019/20 our general fund increased by £0.4m to £2.4m.

The Dartington Hall Trust

To be a creative catalyst for more just and sustainable ways of living

Financial review

Designated funds

Designated funds are those unrestricted funds that have been allocated for a particular purpose by the Trustees. Below is a summary of the main designated funds. The others are disclosed in Note 20.

Fixed asset fund

The fixed asset fund is equivalent to the net book value of the land and buildings and heritage assets used to support Dartington's charitable and trading operations and the Dartington collection and as a consequence is not available to be spent on our on-going activities.

Maintenance fund

This fund protects the organisation from unplanned and significant expenditure required to maintain the land and buildings on our estate. It does not reflect the full value of all the works needed. This fund will be utilised when unexpected maintenance is needed in addition to the day-to-day planned preventative maintenance programme currently in place.

Revaluation reserve fund

This fund reflects the unrealised gain in value of our investment assets.

Restricted funds

These funds are tied to a particular activity by the funder or the nature of the appeal and cannot be used to fund other activities at Dartington. More details of all our restricted funds can be found in Note 20 of the financial statements.

Key performance indicators

The key financial performance indicators are covered in the commentary above (income, costs and net deficit) Non-financial key performance indicators, monitored by the Trustees, include numbers of Post-graduate students, RiP Partner Organisations and Members are reported in the Impact review and summarised below.

| Non-financial key performance indicators | 2019/20 (Number) | 2018/19 (Number) | Variance (Number) | Variance (%) |
|--|---------------------|---------------------|----------------------|-----------------|
| Post-graduate students | 111 | 23 | 82 | 356.5 |
| RiP Partner Organisations | 208 | 178 | 30 | 16.8 |

The Dartington Hall Trust

To be a creative catalyst for more just and sustainable ways of living

Governance & Risk management

Governance & Risk management

Key risks and uncertainties

The Board of Trustees is responsible for the oversight of the risks faced by Dartington. The Trustees and Audit and Risk Management Committee regularly review the Trust's risk position, internal controls assessment and compliance with relevant statutory and finance regulations.

Our risk management process is designed to identify the major risks that could impact on the successful delivery of our strategy. This process identifies the major risks Dartington faces, the likelihood of occurrence, the significance of the risk and any mitigating controls that are in place or are planned to be in place. It also seeks to identify any actions and resources required to manage these risks further.

Dartington's financial sustainability and long-term liquidity are its main strategic risks. The actions taken during this period have significantly reduced the risk – the new strategic focus on learning, tight cost control as well as strategic investment disposal and development and the negotiation of the 20 year term loan from Triodos have removed the need for further substantial external financing. Dartington is on track to have eliminated its operating deficit by 2022/2023.

Governing document and structure

The Dartington Hall Trust (Dartington) is a company limited by guarantee and is registered in England. It is also a charity registered in England and Wales. Dartington was incorporated on 14 March 1980 and is governed by the company's Memorandum and Articles of Association, which were last revised in December 2016.

Dartington has two active, wholly owned, trading subsidiaries (Dartington Accommodation and Catering Services Limited and The Dartington Trading Company Limited), both incorporated in the United Kingdom. These companies pay distributable taxable profits to Dartington by gift aid.

Board of Trustees

Dartington Hall's Trustees are listed on page 51 of this report. The Trustees meet at least four times each year to set and oversee the delivery of Dartington's strategy, decide policy and provide leadership and direction for the organisation. The salaries of the management team are set by the Trustees. The process includes reference to external benchmarks, but also in consideration of fairness, recruitment and retention.

Audit and Risk Management Committee

The Audit and Risk Management Committee reviews and recommends to the Trustees systems of internal control on financial and governance issues and oversees strategic risk management. It also reviews the draft Annual Report and Financial Statements and meets with Dartington's external auditors. The committee comprises Chris Maw (Chair), Dr. Greg Parston (ex officio), Glen Woodcock and Peter Goldsborough.

Nominations Committee

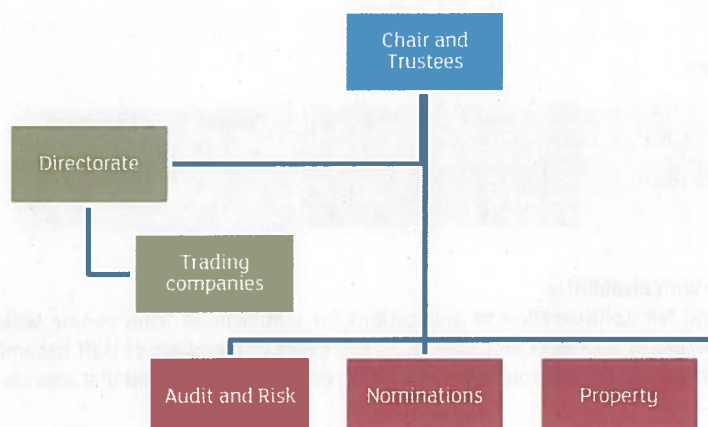
The Nominations Committee leads on Trustee recruitment and makes recommendations to the Board on the appointment of new Trustees. The committee comprises Andrew Ward (Chair), Dr. Greg Parston (ex officio) and Sylvie Pearce.

The diagram below illustrates the governance structure of The Dartington Hall Trust. Note that the Audit and Risk and Nominations committees are standing committees, while Property is a discretionary committee.

The Dartington Hall Trust

To be a creative catalyst for more just and sustainable ways of living

Governance & Risk management



Governance structure for Dartington Hall Trust

Recruiting Trustees

Attracting and recruiting Trustees with the right skills, experience and knowledge is important to us. As a result, we have adopted best practice in terms of Trustee recruitment, using an open and transparent process including advertisement and other techniques to attract suitable candidates with the right skills, experience and diversity to fulfil their purpose. Under our Articles of Association, Trustee terms of office are limited to a maximum of three terms, each of three years.

Training Trustees

Dartington recognises the significant responsibilities placed by law on charity Trustees and therefore offers a programme of training for all Trustees including a comprehensive induction programme for new Trustees, which includes orientation days to learn more about Dartington's work and opportunities to meet staff. All Trustees are encouraged to take part in events and courses that are run during the year at Dartington.

Management

Responsibility for day-to-day management matters and the implementation of policy is delegated to the Directorate.

Our people

We would not have been able to start on this journey of change and transition without the passion, dedication and energy of our 240 (2019: 270 staff and 228 (2019: 202) regular volunteers. Our people are key to our success. Despite much uncertainty, and the impact of Covid, our staff and volunteers have continued to work to exemplary standards. The Trustees are incredibly proud of their work and what they have achieved in this year of transition. It is with their commitment and willingness to embrace new ways of working that we have begun to shift our approach, working collaboratively with our many communities to create a new strategy and future for Dartington.

Our commitment to diversity

Dartington strives to be an equal opportunities employer. All of our policies and processes are designed to be inclusive to all.

The Dartington Hall Trust

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Governance & Risk management

Our people, by gender

All employees

| | Male | Male % | Female | Female % |
|------------------------|------|--------|--------|----------|
| Trustees | 8 | 53.3 | 7 | 46.7 |
| Senior Management team | 3 | 31.3 | 6 | 68.7 |
| All employees | 84 | 35.2 | 154 | 64.8 |

Employment of people with disabilities

Dartington gives full and fair consideration to applications for employment from people with disabilities, bearing in mind their particular aptitudes and abilities. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with Dartington continues and that appropriate training is arranged.

Pay and benefits

We are determined to provide a good employee package and ensure that all our staff, regardless of hours, receive the same good terms of employment.

Communication and involvement

We provide a range of opportunities for our people to meet and share information, including staff meetings, emails and the intranet. These help us share news, our successes, our disappointments and how well we are performing financially.

Volunteers

Dartington's 228 regular volunteers gave more than 20,000 hours of their time during the period (2019: 202 and 17,000) with commitment and dedication. We involve people locally, nationally and internationally in our work. Volunteers support conservation and woodland activity, events, festivals, films, gardening and community projects, administrative work, Deer Park historical research and school learning days, assisting the running of Schumacher College as well as promoting Dartington to visitors.

Fundraising

The Trust believes in maintaining the highest principles when fundraising. In the period, we aimed to do this by making sure all our fundraising activities were compliant with regulatory standards including adherence to the guidance set out by the Charities Act.

The Trust policies and practices guard against:

- unreasonable intrusion on a person's privacy;
- unreasonably persistent approaches for the purpose of soliciting or otherwise procuring money or other property on behalf of the charity;
- placing undue pressure on a person to give money or other property

The Trustees were pleased to note that we received no complaints about our fundraising activities during the year.

Charity Governance Code

The Trust applies the Charity Governance code released in July 2017. Our Company Secretary works closely with our Trustee board and Directorate across all areas of the code.

The Dartington Hall Trust

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Governance & Risk management

Public benefit

When shaping our objectives and planning our activities, the Trustees have considered the Charity Commission's guidance on public benefit and fee charging as required by the Charities Act 2011. Dartington relies on voluntary income, grants, fees and charges, along with profits made by our trading activities and investment returns to cover our ongoing operating costs.

We give consideration to how accessible Dartington is to those on low incomes when considering fees, charges, concessions and in the bursaries we offer. The estate as a whole, is freely accessible to all, with many public footpaths. All education programmes at Dartington offer scaled fees and bursary schemes. The wider benefits of the Trust, its estate and activities are open to all unless the course relates to a particular group (such as children, in which case it would be open to all children). If there is a geographical restriction, it is never smaller than South West England. We work with local schools, offer bursaries for our education programmes and reduced price seating for concessions and young people at our events. Each year, we expand the range of learning resources made available online - enabling more people to benefit from them, both in the UK and worldwide. We also publish our archive and collection catalogue online, broadening their reach.

Statement of Trustees' Responsibilities

The trustees (who are also directors of The Dartington Hall Trust for the purposes of company law) are responsible for preparing the Trustees' Annual Report (including the Strategic Report) and the financial statements in accordance with applicable law and regulation.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice). 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 the affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company/group 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 Statement of Recommended Practice: Accounting and Reporting by Charities (2019);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, comprising FRS 102, 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 and disclose with reasonable accuracy at any time the financial position of the charitable company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

So far as the Trustees are aware:

- there is no relevant audit information of which the company's auditors are unaware; and
- the Trustees have taken all the steps that they ought to have taken as a Trustee in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

The Dartington Hall Trust

To be a creative catalyst for more just and sustainable ways of living

Governance & Risk management

Directors' indemnities

As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and currently remains so. The company also purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of itself and its Directors.

The report of the Trustees was approved by the Trustees on 16 July 2021.



Dr Greg Parston
Director & Trustee

16 July 2021

The Dartington Hall Trust

To be a creative catalyst for more just and sustainable ways of living

Thank you to our supporters

The Dartington Hall Trust are grateful for all legacies we receive. Here are some of the generous legacies from which we have received funds this year:

This year we continued to receive funds from the estates of Eileen and Donald Macrae to support Dartington's work.

John Arthur Wilson – We have received funds from his legacy to Dartington for the restoration and conservation of Dartington's historic buildings.

Harold Douglas Eades – we have received funds from his legacy to Dartington for the Dartington Music Summer School

Kate Caddy (grand-daughter of Dorothy and Leonard Elmhirst) – we have received funds from her legacy to support various areas of Dartington

Geoffrey Cooper – we have received funds from his legacy for the Dartington Music Summer School

Dr Jean Hardy – bequeathed a legacy to Schumacher College

Anthony John White – also bequeathed a legacy to support the student bursary fund of Dartington Music Summer School

Trusts, Foundations and Institutional Grants

We are fortunate to have the support of so many generous charitable organisations and institutions. Many of these support us on a regular basis or phase their gifts over several years. Here are some of the organisations which generously supported our work last year:

Acumen Medical Ltd
Ambache Charitable Trust
Andor Trust
The Arts Society (Totnes)
The Barbara Whatmore Charitable Trust
Barrow Cadbury Trust
The Behrens Foundation
The Boltini Trust
The John S Cohen Foundation
Dartington International Summer School Foundation
The D'Oyly Carte Charitable Trust
The Elmgrant Trust
Esmee Fairbairn Foundation
The Eversley Charitable Trust
The Exeter and District Classical Music Trust Schumacher College Foundation
Margaret Guido's Charitable Trust
The Derek Hill Foundation
The Harold Hyam Wingate Foundation
The Helen Roll Charity
The Hinrichsen Foundation
The Leverhulme Trust
Marchus Trust The Michael Tippett Musical Foundation
The Norman Family Charitable Trust
PRS for Music Foundation
Rank Foundation
RVW Trust
St Luke's Music Society
Tait Memorial Trust

The Dartington Hall Trust

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Thank you to our supporters

The Tedworth Charitable Trust
Watershed Arts Trust
Department for Environment, Food and Rural Affairs (DEFRA)
Devon County Council
Forestry Commission England
Natural England

Also, thank you to all our Summer School Patrons

The Dartington Hall Trust

To be a creative catalyst for more just and sustainable ways of living

Independent auditors' report

Independent auditors' report to the members of The Dartington Hall Trust

Report on the audit of the financial statements

Opinion

In our opinion, The Dartington Hall Trust's group financial statements and charitable company's financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the charitable company's affairs as at 31 August 2020 and of the group's incoming resources and application of resources, including its income and expenditure, and of the group's cash flows, for the 17 month period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the *Annual Report and financial statements* (the "Annual Report"), which comprise: the consolidated and charity balance sheets as at 31 August 2020; the consolidated statement of financial activities, the consolidated statement of cash flows for the 17 month period then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

- 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 group's and 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.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the group's and charitable company's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the *Annual Report* other than the financial statements and our auditors' report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

The Dartington Hall Trust

To be a creative catalyst for more just and sustainable ways of living

Independent auditors' report

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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Annual Report of the Trustees

In our opinion, based on the work undertaken in the course of the audit the information given in the Annual Report of the Trustees, including the Strategic Report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and the Annual Report of the Trustees has been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in Annual Report of the Trustees. We have nothing to report in this respect.

Responsibilities for the financial statements and the audit

Responsibilities of the trustees for the financial statements

As explained more fully in the Statement of Trustees' Responsibilities set out on page 18, 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 in accordance with the applicable framework and for being satisfied that they give a true and fair view. The trustees are also responsible for such internal control as they 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 group's and 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 group and charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 auditors' 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 auditors' report.

The Dartington Hall Trust

To be a creative catalyst for more just and sustainable ways of living

Independent auditors' report

Use of this report

This report, including the opinions, has been prepared for and only for the charity's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.



Jonathan Bound (Senior Statutory Auditor)
for and on behalf of
PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Bristol

Date: 16 July 2021

The Dartington Hall Trust

To be a creative catalyst for more just and sustainable ways of living

Financial statements

Consolidated statement of financial activities for the 17 month period 1 April 2019 to 31 August 2020 (including the income and expenditure account)

| | | Unrestricted funds | Restricted funds | Total | Total |
|---|--------|-----------------------------------|-----------------------------------|-----------------------------------|--------------------------------|
| | Note | 01/04/2019 to 31/08/2020 £'000 | 01/04/2019 to 31/08/2020 £'000 | 01/04/2019 to 31/08/2020 £'000 | Year ended 31/03/2019 £'000 |
| Income from: | | | | | |
| Donations and legacies | 2 | 61 | 825 | 886 | 2,241 |
| Income from charitable activities | 3 | 9,219 | 1,019 | 10,238 | 7,396 |
| Income from trading activities | 4 | 6,965 | - | 6,965 | 6,071 |
| Investment and other income | 5 | 1,968 | - | 1,968 | 1,179 |
| Total income | | 18,213 | 1,844 | 20,057 | 16,887 |
| Expenditure on: | | | | | |
| Expenditure on raising funds | 6 | 140 | - | 140 | 162 |
| Expenditure on charitable activities | 6 | 13,465 | 1,529 | 14,994 | 11,661 |
| Expenditure on trading activities | 6 | 6,736 | - | 6,736 | 6,081 |
| Expenditure on investments | 6 | 530 | - | 530 | 945 |
| Closed defined benefit pension scheme cost | 6 | 622 | - | 622 | 532 |
| Exceptional costs | 7 | 1,304 | - | 1,304 | 1,155 |
| Total Expenditure | | 22,797 | 1,529 | 24,326 | 20,536 |
| Net gains on investments | 12a/13 | 3,052 | - | 3,052 | 9,389 |
| Net (expenditure) / income | | (1,532) | 315 | (1,217) | 5,740 |
| Other recognised (losses): | | | | | |
| Actuarial (losses) on defined benefit pension schemes | 24 | (1,258) | - | (1,258) | (452) |
| Net movement in funds | | (2,790) | 315 | (2,475) | 5,288 |
| Total funds brought forward | | 34,148 | 2,427 | 36,575 | 31,287 |
| Total funds carried forward | | 31,358 | 2,742 | 34,100 | 36,575 |

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure relates to continuing activities. There is no material difference between the net (expenditure) / income stated above and their historical cost equivalent in the current and prior year.

Full details of the comparative numbers for the previous year are included within Notes 2-7.

The Dartington Hall Trust

To be a creative catalyst for more just and sustainable ways of living

Financial statements

Consolidated and Charity Balance Sheets as at 31 August 2020

| | Note | Group 2020 £'000 | Group 31 March 2019 £'000 | Charity 2020 £'000 | Charity 31 March 2019 £'000 |
|--|------|------------------------|------------------------------------|--------------------------|--------------------------------------|
| Fixed Assets: | | | | | |
| Tangible assets | 11 | 9,910 | 10,701 | 9,863 | 10,604 |
| Heritage assets | 11 | 621 | 621 | 621 | 621 |
| Investments | 12 | 16,897 | 25,853 | 16,897 | 25,853 |
| Investments in subsidiary undertakings | 12 | - | - | 395 | 395 |
| Assets held for resale | 13 | 7,518 | 3,380 | 7,518 | 3,380 |
| Total fixed assets | | 34,946 | 40,555 | 35,294 | 40,853 |
| Current assets | | | | | |
| Stock | 16 | 338 | 514 | 52 | 63 |
| Debtors | 17 | 2,212 | 1,133 | 1,985 | 1,033 |
| Cash at bank and in hand | | 6,044 | 3,435 | 4,003 | 1,322 |
| Total current assets | | 8,594 | 5,082 | 6,040 | 2,418 |
| Creditors: amounts falling due within one year | 18 | (6,189) | (3,305) | (6,481) | (3,622) |
| Net current assets / (liabilities) | | 2,405 | 1,777 | (441) | (1,204) |
| Total assets less current liabilities | | 37,351 | 42,332 | 34,853 | 39,649 |
| Creditors: amounts falling due after one year | 18 | - | (3,000) | - | (3,000) |
| Net assets excluding pension liability | | 37,351 | 39,332 | 34,853 | 36,649 |
| Defined benefit pension scheme liability | 24 | (3,251) | (2,757) | (3,251) | (2,757) |
| Total net assets | | 34,100 | 36,575 | 31,602 | 33,892 |
| The funds of the Charity: | | | | | |
| Restricted income funds | 20 | 2,742 | 2,427 | 976 | 395 |
| Unrestricted funds | 20 | 13,865 | 13,571 | 13,133 | 12,920 |
| Revaluation reserve | 20 | 20,744 | 23,334 | 20,744 | 23,334 |
| Pension reserve | 24 | (3,251) | (2,757) | (3,251) | (2,757) |
| Total unrestricted funds | | 31,358 | 34,148 | 30,626 | 33,497 |
| Total charity funds | 20 | 34,100 | 36,575 | 31,602 | 33,892 |

The notes on pages 28 to 50 form part of the financial statements.

These financial statements on pages 25 to 27 were approved by the Board of Trustees on 16 July 2021 and were signed on their behalf by:



Dr. Greg Parston
Director & Trustee

Registered number: 01485560

The Dartington Hall Trust

To be a creative catalyst for more just and sustainable ways of living

Financial statements

Consolidated statement of cash flows for the 17 month period from 1 April 2019 to 31 August 2020

| | Note | 01/04/2019 to 31/08/2020 £'000 | Year ended 31/03/2019 £'000 |
|---|-------|--------------------------------------|-----------------------------------|
| Cash flow from operating activities: | | | |
| Net cash used in operating activities | 22(a) | (4,474) | (2,206) |
| Cash flow from investing activities: | | | |
| Interest and rents from investments | | 1,200 | 1,179 |
| Proceeds from sale of fixed assets | | 632 | - |
| Purchase of fixed assets | | (855) | (1,269) |
| Proceeds from sale of investments | | 7,853 | 71 |
| Purchase of investments | | - | (296) |
| Net cash provided by / (used in) investing activities | | 8,830 | (315) |
| Cash flow from financing activities | | | |
| (Repayment) / Receipt of loan facility | | (1,747) | 3,000 |
| Net cash (used in) / received in financing activities | | (1,747) | 3,000 |
| Change in cash and cash equivalents in the reporting period | 22(b) | 2,609 | 479 |
| Cash and cash equivalents at the beginning of the reporting period | | 3,435 | 2,956 |
| Cash and cash equivalents at the end of the reporting period | | 6,044 | 3,435 |

The Dartington Hall Trust

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Notes to the financial statements

1 Accounting policies

Basis of accounting

These financial statements have been prepared in compliance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

The Dartington Hall Trust meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Preparation of the Annual report and financial statements on a going concern basis

The Charity and Consolidated financial statements have been prepared on a going concern basis.

The Trust has reported a deficit for the 17 month period ended 31 August 2020 and, reflecting the impact of the Covid-19 pandemic, is forecasting a deficit and cash outflow for 2020/21.

On 31 March 2021, the City Bridge loan of £1.25m was repaid and on 28 June 2021 a loan facility of £3m from Triodos Bank was agreed and drawn down. This facility is secured on £5m of residential property and is subject to covenants but these do not come into effect until the year ending 31 August 2023.

The Trust has prepared cash flow forecasts through to 31 August 2022. In these forecasts, the Trust has considered:

- Current operating performance. The Trust has performed in line with the 2020/21 operating budget to date
- On-going impact of Covid and the related restrictions and impacts on people's behaviour
- Continued ability of the Trust to realise capital receipts from the sale of non-core assets. Currently, a selection of these assets are being marketed for sale
- Committed proceeds from development assets

In preparing the cash flow forecasts, the Trustees have considered the ongoing impact of the Covid pandemic. The principal consideration relates to the extent to which students will return to the Estate (as opposed to learning remotely) and the ability of the hospitality and retail facilities on the Estate to generate the forecast levels of cash flow. The cash flow forecasts have been sensitised to consider a range of potential scenarios and the Trustees are satisfied that in all such reasonably expected scenarios, the Trust will be able to continue to settle its liabilities as they fall due for a period of at least 12 months from the date of signing these financial statements.

When considering the ability to generate capital receipts from the sale of non-core assets, the Trust has considered the assets available, the market demand for such assets and historic performance in disposal of similar assets.

On the basis described above, the Trustees have concluded that they have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Change of Accounting Reference Date

During the period under review, the Accounting Reference Date was changed from 31 March to 31 August, to align with the academic year. Accordingly, the financial statements have been prepared for a 17 month period to 31 August 2020. The comparatives are for the year ended 31 March 2019.

The Dartington Hall Trust

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Notes to the financial statements

Group financial statements

Consolidated financial statements have been prepared in respect of the charitable company and its three trading subsidiaries, on a line by line basis. In accordance with section 408 of the Companies Act 2006, a separate statement of financial activities for the company has not been presented. The principal accounting policies, which have been applied consistently throughout the group companies in the year, are set out below.

Company status

The Charity is a company limited by guarantee and is registered in England. The registered office of the entity is The Elmhist Centre, Dartington Hall, Totnes, Devon, TQ9 6EL. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

Incoming resources and deferred income

Voluntary income including donations, gifts, legacies and grants is recognised where there is entitlement, receipt is probable and the amount can be measured with sufficient reliability. Such income is only restricted or deferred when:

- The donor has imposed conditions which must be met before the Charity has unconditional entitlements or
- The donor specifies it must only be used in future accounting periods.

Income from charitable activities, which includes income received under contract or where entitlement to grant funding is subject to specific performance conditions, is recognised as earned as the related goods or services are provided. This income is treated as deferred when it is received in advance of the activity to which it relates.

Income from government grants is recognised in the period in which it becomes receivable.

The Trust receives the benefit of work carried out by volunteers, the value of which is not included in the financial statements. Gifts in kind are included as income in the financial statements where the donated goods / services can be reliably valued and benefit our charitable objectives.

Income from trading activities represents the amounts sold during the year, exclusive of value added tax, and the revenue is recognised in the financial statements when the goods are sold to the customer. Retail sales are made in the United Kingdom and are usually in cash or by credit and debit card. Rents receivable are accounted for on an accruals basis and investment income is recognised on a receivable basis.

Taxation

Dartington, as a registered charity, is exempt from taxation on income falling within section 505 of the Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that this is applied to its charitable objectives. No tax charge has arisen in its trading subsidiaries because of their policy of gifting taxable profits to the parent charity each year. Dartington has no similar exemption from value added tax. Irrecoverable value added tax is included in the cost of those items to which it relates. All other income and expenses are net of value added tax.

Resources expended

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis and has been classified under appropriate category headings.

- Costs of raising funds comprises the costs of attracting voluntary income together with investment management.
- Costs of charitable activities include core expenditure incurred in support of our charitable objectives and include both direct and support costs.
- Investment in future charitable activities include costs incurred in supporting our emerging strategy and growing our charitable programmes where revenues are expected to accrue in future years.
- Governance costs include those incurred in the governance of the charity and are primarily associated with constitutional and statutory requirements.

The Dartington Hall Trust

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Notes to the financial statements

- Support costs include functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include finance, information technology, telecommunication costs, human resources, payroll, health and safety and security costs, and have been allocated to activity cost categories on a basis consistent with the use of resources.

Where costs cannot be directly attributed to particular headings, they have been apportioned to activities on an appropriate basis.

Termination benefits

Payments made to employees when their employment is terminated are recognised as an expense immediately.

Exceptional items

Certain one-off charges or credits that have a material impact on Dartington's financial results are classified as 'exceptional items'. These are disclosed separately to provide further understanding of Dartington's financial performance.

Fixed assets

Tangible fixed assets are stated at historic purchase cost less accumulated depreciation. The cost of tangible fixed assets is their purchase cost, together with any costs attributable to bringing the asset to its working condition for its intended use. Property utilised by the charity's activities in support of our charitable objectives is stated at cost in the financial statements. No depreciation has been charged on those properties where the lives of the properties are considered to be so long and residual values high enough to ensure that there is no significant depreciation. An annual review takes place to establish any permanent diminution in the value of these properties. This treatment may be a departure from the requirements of the Companies Act 2006 concerning depreciation of fixed assets. However, these properties are not held for consumption but for investment and the Trustees consider that systematic annual depreciation would be inappropriate.

The accounting policy adopted is therefore necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of the many factors reflected in the property valuations and the amount which might otherwise have been shown cannot be separately identified or quantified.

Fixed asset improvement costs are capitalised at cost where the expenditure provides enhanced revenue generation or reduces future costs. All other expenditure incurred in repairing and maintaining our land and buildings is recognised in the financial statements as it is incurred.

Expenditure on fixed asset improvements, plant and equipment, musical instruments, computer equipment and motor vehicles costing over £5,000 is capitalised.

A full year's depreciation is charged in the year of acquisition and no charge is made in the year of disposal. Depreciation is provided to write off the cost of these assets by equal annual instalments over their useful lives, as follows:

| | |
|---|--|
| Freehold property, fixed asset improvements | 5 - 10 years |
| Plant and equipment | 4 - 40 years |
| Musical instruments | 4 years |
| Computer equipment | 4 years |
| Motor vehicles | 4 - 5 years |
| Assets under construction | Not depreciated until assets is complete |

Heritage assets

The Trust holds a collection of furniture and works of art which reflects Dartington's heritage as a place of experiment and provides context for our current programme of activities. The Collection has been assembled over many years and comprises books, furniture, ceramics, paintings and other works of arts such as sculpture. The Dartington Collection is classified as a heritage asset and is valued in the financial statements at cost. Expenditure required to preserve or prevent further deterioration of individual collection items is recognised in the financial statements as it is incurred.

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Notes to the financial statements

Stock

Stocks which are goods held for resale are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving items. Cost is determined using the weighted average method. Livestock are valued at cost.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Where trade and/or other debtor arrangements represent a financing transition, the transaction is measured at the present value of future receipts discounted at a market rate of interest.

Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Investments

Fixed asset investments

All listed investments are stated at market value at the balance sheet date. Investments in group undertakings are stated at cost less any impairment losses.

See Note 12b for further information on the valuation of fixed asset investments in these financial statements.

Investment properties

Investment properties are included at valuation on an existing use basis. Valuations are carried out on an annual basis. These are done either by professionally qualified surveyors external to the Trust or by desktop reviews by management of the Trust. For 2019/20, a desktop review was undertaken.

In accordance with Statement of Standard Accounting Practice No. 19:

- (i) investment properties are revalued annually at open market value. All surpluses and deficits arising on valuation are taken directly to the financial statements and
- (ii) no depreciation or amortisation is provided in respect of freehold investment properties and leasehold investment properties with over 20 years to run.

Social Investments

Social investments that are loans are accounted for at the outstanding amount of the loan less any provision for unrecoverable amounts.

Assets held for resale

The Trustees from time to time approve the disposal of certain residential and commercial assets. The assets are accordingly classified as Assets held for Resale.

Creditors and provisions

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 normally recognised at their settlement amount after allowing for any trade discounts due.

Operating leases agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the SOFA on a straight line basis over the period of the lease.

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Notes to the financial statements

Pension costs

Defined benefit pension scheme

Pension assets and liabilities are recorded in line with FRS102, with scheme valuations undertaken by independent actuaries. The most recent actuarial valuation was prepared to 5 April 2019. FRS102 measures the value of pension assets and liabilities at the balance sheet date and determines the benefits accrued in the year and the interest on assets and liabilities. This scheme, which is closed to new entrants and to future accrual, provides benefits based on final pensionable salary. The operating costs of the scheme and of providing benefits are apportioned to expenditure headings with the SOFA.

Scheme assets are measured at fair value at the balance sheet date. Scheme liabilities are measured on an actuarial basis at the balance sheet date and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term to the scheme liabilities.

The resulting defined benefit asset or liability is presented separately on the face of the balance sheet. Defined benefit assets are recognised to the extent that they are considered recoverable through reduced contributions in the future, or through refunds from the scheme.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other recognised gains or losses. These amounts together with the return on plan assets, less amounts included in net interest are disclosed in the SOFA as actuarial gains/losses on defined benefit pension schemes.

Defined contribution pension scheme

Pension costs in respect of the defined contribution scheme are charged to the SOFA for the period in which they are payable. Such costs are allocated to activities and between funds according to an employee's normal job function.

Research

Expenditure on research is written off to the SOFA in the year in which it is incurred.

Estimates and judgements

Preparation of the financial statements requires the directors to make significant estimates and judgements. The items in the financial statements where these estimates and judgements have been made include review of the inventories held at the year end, in particular slow moving or obsolete stock, where provisions are required.

Deciding the expected useful life of tangible fixed assets. The organisation's experience is considered together with generally accepted best practice when establishing useful life and the appropriate basis on which to prepare the financial statements.

Fund accounting

Unrestricted funds are used to further the charitable objectives at the discretion of the Trustees. **Designated funds** represent funds set aside for specific purposes as decided by the Trustees. **Restricted funds** are used for specific purposes as requested by the donor or by the nature of the appeal.

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Notes to the financial statements

2 Donations and legacies

| | Unrestricted | Restricted | Total | Unrestricted | Restricted | Total |
|--------------|---|---|---|-----------------------------------|-----------------------------------|-----------------------------------|
| | 01/04/2019 to 31/08/2020 £'000 | 01/04/2019 to 31/08/2020 £'000 | 01/04/2019 to 31/08/2020 £'000 | Year ended 31/03/2019 £'000 | Year ended 31/03/2019 £'000 | Year ended 31/03/2019 £'000 |
| Individuals | 57 | 217 | 274 | 24 | 2,150 | 2,174 |
| Legacies | 4 | 608 | 612 | 65 | 2 | 67 |
| Total | 61 | 825 | 886 | 89 | 2,152 | 2,241 |

3 Income from charitable activities

| | Un- restricted | Restricted | Total | Un- restricted | Restricted | Total |
|------------------------------|---|---|---|-----------------------------------|-----------------------------------|-----------------------------------|
| | 01/04/2019 to 31/08/2020 £'000 | 01/04/2019 to 31/08/2020 £'000 | 01/04/2019 to 31/08/2020 £'000 | Year ended 31/03/2019 £'000 | Year ended 31/03/2019 £'000 | Year ended 31/03/2019 £'000 |
| Grant income | 1 | 1,019 | 1,020 | 4 | 649 | 653 |
| Partner income | 3,001 | - | 3,001 | 2,000 | - | 2,000 |
| Contract income for services | 3,672 | - | 3,672 | 1,878 | - | 1,878 |
| Course fees | 1,326 | - | 1,326 | 1,751 | - | 1,751 |
| Admissions | 409 | - | 409 | 416 | - | 416 |
| Rents | 708 | - | 708 | 628 | - | 628 |
| Other | 102 | - | 102 | 70 | - | 70 |
| Total | 9,219 | 1,019 | 10,238 | 6,747 | 649 | 7,396 |

Grant income comprises:

| | 01/04/2019 to 31/08/2020 £'000 | Year ended 31/03/2019 £'000 |
|--|--------------------------------------|-----------------------------------|
| School for Social Entrepreneurs | 187 | - |
| University of Bath – DSSE | 72 | 59 |
| Bristol City Council – DSSE | 25 | 37 |
| YTKO Group - DSSE | 114 | - |
| Devon County Council – DSSE | 59 | - |
| Public Health England – Research in Practice | 79 | 25 |
| Other Statutory grants | 4 | 6 |
| Educational institutions, charities and private trusts | 480 | 526 |
| Total | 1,020 | 653 |

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Notes to the financial statements

4 Income from trading activities

| | Hotel activities | Trading activities | Total | Total |
|--|-----------------------------------|-----------------------------------|-----------------------------------|------------------------------|
| | 01/04/2019 to 31/08/2020 £'000 | 01/04/2019 to 31/08/2020 £'000 | 01/04/2019 to 31/08/2020 £'000 | Year end 31/03/2019 £'000 |
| Turnover | 3,758 | 3,207 | 6,965 | 6,071 |
| Costs | (3,602) | (3,134) | (6,736) | (6,081) |
| Enterprise profit / (loss) | 156 | 73 | 229 | (10) |
| Contribution to estate maintenance paid directly to Dartington | 224 | 82 | 306 | 283 |
| Enterprise contribution to Dartington | 380 | 155 | 535 | 273 |

5 Investment and other income

| | 01/04/2019 to 31/08/2020 £'000 | Year ended 31/03/2019 £'000 |
|--|-----------------------------------|--------------------------------|
| Interest on cash at bank | 19 | 9 |
| Interest on Seedbed loans | 16 | 17 |
| Rental income | 1,165 | 1,153 |
| Gain on sale of properties held for resale | 402 | - |
| Government grant – Job Retention Scheme | 366 | - |
| Total | 1,968 | 1,179 |

Rental income excludes any rents received from the Charity's trading subsidiaries.

6 Expenditure

| | Activities undertaken | Support costs | Total | Total |
|---|-----------------------------------|-----------------------------------|-----------------------------------|--------------------------------|
| | 01/04/2019 to 31/08/2020 £'000 | 01/04/2019 to 31/08/2020 £'000 | 01/04/2019 to 31/08/2020 £'000 | Year ended 31/03/2019 £'000 |
| Expenditure on raising funds | 140 | - | 140 | 162 |
| Expenditure on charitable activities: | | | | |
| Arts | 1,216 | 200 | 1,416 | 1,531 |
| Learning | 8,567 | 1,410 | 9,977 | 6,636 |
| Social Justice | 20 | 3 | 23 | 122 |
| Destination | 298 | 49 | 347 | 591 |
| Placemaking | 2,774 | 457 | 3,231 | 2,781 |
| Total expenditure on charitable activities | 12,875 | 2,119 | 14,994 | 11,661 |
| Expenditure on trading activities | 6,736 | - | 6,736 | 6,081 |
| Expenditure on investments | 530 | - | 530 | 945 |
| Cost of closed defined benefit pension scheme | 622 | - | 622 | 532 |
| Exceptional costs | 1,304 | - | 1,304 | 1,155 |
| Total | 22,207 | 2,119 | 24,326 | 20,536 |

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Indirect support costs are directly allocated to charitable activities where possible - for example, insurance costs on actual allocations. All unallocated support costs are then apportioned on the basis of a proportion of charitable costs incurred.

| Support costs | 01/04/2019 to 31/08/2020 £'000 | Year ended 31/03/2019 £'000 |
|---------------------------|-----------------------------------|--------------------------------|
| Finance | 510 | 418 |
| Human Resources & Payroll | 329 | 246 |
| Information Technology | 270 | 252 |
| Central Management | 494 | 278 |
| Communications | 376 | 285 |
| Governance | 140 | 81 |
| Total | 2,119 | 1,560 |

7 Exceptional costs

Exceptional costs were costs incurred as the new strategy was implemented. These costs include £385k of redundancy costs, a result of the staffing structure of the organisation being reviewed and £919k for write off assets held as project investment expenditure at the start of the period. The 2019 exceptional costs related to costs incurred in the unsuccessful retail bond issue.

| | Charity | Dartington Accommodati on & Catering Services | Dartington Trading Company Limited | Total | Total |
|---|--------------------------------------|--|---|--------------------------------------|-----------------------------------|
| | 01/04/2019 to 31/08/2020 £'000 | 01/04/2019 to 31/08/2020 £'000 | 01/04/2019 to 31/08/2020 £'000 | 01/04/2019 to 31/08/2020 £'000 | Year ended 31/03/2019 £'000 |
| Redundancy costs | 278 | 21 | 86 | 385 | - |
| Write off property development costs | 919 | - | - | 919 | - |
| Legal and Administrative costs | - | - | - | - | 1,155 |
| Total | 1,197 | 21 | 86 | 1,304 | 1,155 |

8 Trustees' remuneration

The charity Trustees were not paid and did not receive any other benefits from employment with the Trust or its subsidiary company in the year (2019: £nil). Trustees incurred out of pocket expenses for travel, subsistence and accommodation in the year and were reimbursed as follows:

| | 01/04/2019 to 31/08/2020 Number | 01/04/2019 to 31/08/2020 £'000 | Year ended 31/03/2019 Number | Year ended 31/03/2019 £'000 |
|--------------|------------------------------------|-----------------------------------|------------------------------------|-----------------------------------|
| Total | 11 | 16 | 10 | 14 |

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Notes to the financial statements

9 Group staff costs

| | 01/04/2019 to 31/08/2020 £'000 | Year ended 31/03/2019 £'000 |
|---------------------------------------|--------------------------------------|-----------------------------------|
| Wages and salaries | 9,499 | 7,104 |
| Social security costs | 730 | 567 |
| Other pension costs | 364 | 260 |
| Apprentice levy | 23 | 20 |
| Cost of closed defined benefit scheme | 622 | 423 |
| Total | 11,238 | 8,374 |

Redundancy and loss of office payments of £385k (2019: £nil) are included within the wages and salaries amount.

The number of employees whose emoluments amounted to over £60,000 in the 17 month period were as follows:

| | 01/04/2019 to 31/08/2020 Number | Year ended 31/03/2019 Number |
|---------------------|---------------------------------------|------------------------------------|
| £70,000 - £79,999 | 2 | 2 |
| £80,000 - £89,999 | 1 | 1 |
| £90,000 - £99,999 | 2 | 2 |
| £100,000 - £109,999 | 1 | - |
| £110,000 - £119,999 | 1 | 1 |

Key management includes the Trustees (none of whom are remunerated) and the members of the senior management team. The compensation paid or payable to key management is shown below:

| | 01/04/2019 to 31/08/2020 £'000 | | | Year ended 31/03/2019 £'000 |
|-----------------------------------|-----------------------------------|---------------------------------|----------------|-----------------------------------|
| | Remuneration for services | Post- employment benefits | Total | Total |
| Charity key management | 993.5 | 43.7 | 1,037.2 | 700.0 |
| Trading key management | 65.8 | 3.1 | 68.9 | 48.0 |
| Total Group Key management | 1,059.3 | 46.8 | 1,106.1 | 748.0 |

Redundancy and loss of office costs of £99.1k (2019: £nil) for key management are included in remuneration for services above.

In 2019/2020, none of the staff earning in excess of £60,000 (2019: none of the staff earning in excess of £60,000) participated in the defined benefit pension scheme (see Note 24).

The defined benefit scheme closed to future accrual on 5 October 2010 and employees in the scheme were transferred to a defined contribution scheme. Contributions of £36.4k (2019: £27.8k) were made in relation to members of staff earning in excess of £60,000.

The average monthly number of employees, which includes directors, calculated on a full-time equivalent basis, analysed by function was:

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| | 01/04/2019 to 31/08/2020 Number | Year ended 31/03/2019 Numbers |
|---------------------------|------------------------------------|----------------------------------|
| Costs of generating funds | 2 | 2 |
| Enterprises | 95 | 109 |
| Property and investment | 23 | 27 |
| Charitable activities | 127 | 132 |
| Total | 247 | 270 |

10 Net (expenditure) / income

| Net (expenditure) / income is stated after charging the following: | 01/04/2019 to 31/08/2020 £'000 | Year ended 31/03/2019 £'000 |
|--|-----------------------------------|--------------------------------|
| Auditors' remuneration | | |
| Audit fees (charity) | 53 | 28 |
| Consultancy services – Bond Listing & DHEB PLC | - | 50 |
| VAT & Tax advisory services (charity) | 9 | 4 |
| Operating land rentals: | | |
| Land and buildings | 31 | 22 |
| Depreciation of owned assets | 545 | 417 |
| (Gain) / Loss on disposal of fixed assets | (394) | 10 |

11a Charity: Tangible assets

| | Freehold land and property £'000 | Assets under construction £'000 | Equipment, instruments and vehicles £'000 | Heritage assets £'000 | Total £'000 |
|------------------------------------|-------------------------------------|------------------------------------|--|--------------------------|----------------|
| At 31 March 2019 | | | | | |
| Cost | 8,530 | 919 | 4,593 | 621 | 14,663 |
| Accumulated depreciation | (760) | - | (2,678) | - | (3,438) |
| Net book value | 7,770 | 919 | 1,915 | 621 | 11,225 |
| Period ended 31 August 2020 | | | | | |
| Opening net book amount | 7,770 | 919 | 1,915 | 621 | 11,225 |
| Additions | - | 378 | 461 | - | 839 |
| Transfer to investments | (19) | - | - | - | (19) |
| Amounts written off | - | (919) | - | - | (919) |
| Disposals | - | - | (159) | - | (159) |
| Depreciation | (132) | - | (351) | - | (483) |
| Closing net book amount | 7,619 | 378 | 1,866 | 621 | 10,484 |
| At 31 August 2020 | | | | | |
| Cost | 8,511 | 378 | 4,895 | 621 | 14,405 |
| Accumulated depreciation | (892) | - | (3,029) | - | (3,921) |
| Closing net book amount | 7,619 | 378 | 1,866 | 621 | 10,484 |

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Notes to the financial statements

11b Group: Tangible assets

| | Freehold land and property | Assets under Construction | Equipment, instruments and vehicles | Heritage assets | Total |
|------------------------------------|----------------------------|---------------------------|-------------------------------------|-----------------|---------------|
| | £'000 | £,000 | £'000 | £'000 | £'000 |
| At 31 March 2019 | | | | | |
| Cost | 8,530 | 919 | 5,440 | 621 | 15,510 |
| Accumulated depreciation | (760) | - | (3,428) | - | (4,188) |
| Net book value | 7,770 | 919 | 2,012 | 621 | 11,322 |
| Period ended 31 August 2020 | | | | | |
| Opening net book amount | 7,770 | 919 | 2,012 | 621 | 11,322 |
| Additions | - | 378 | 477 | - | 855 |
| Transfer to investments | (19) | - | - | - | (19) |
| Amounts written off | - | (919) | - | - | (919) |
| Disposals | - | - | (163) | - | (163) |
| Depreciation | (132) | - | (413) | - | (545) |
| Closing net book amount | 7,619 | 378 | 1,913 | 621 | 10,531 |
| At 31 August 2020 | | | | | |
| Cost | 8,511 | 378 | 5,754 | 621 | 15,264 |
| Accumulated depreciation | (892) | - | (3,841) | - | (4,733) |
| Closing net book amount | 7,619 | 378 | 1,913 | 621 | 10,531 |

Works of art held as part of the Dartington collection are considered heritage assets and are included in the financial statements at historical cost. Freehold property, equipment, plant, musical instruments and motor vehicles are stated at historical cost.

The Assets under Construction brought forward from the previous year were reviewed as part of the new strategy. The decision was taken to write these costs to revenue in the period. The £378k addition to Assets under Construction represents the grant funded work being carried out on the Old Postern roof.

A fixed legal charge, secured on property assets to the value of £7.6m, is held by the Dartington Hall Trust pension fund. City Bridge hold a fixed legal charge of £9.1m, secured on property assets, in relation to a £1.3m loan facility.

11c Further information on the Trust's collection of heritage assets

Dartington collection

The Trust holds a collection of furniture and works of art which reflects Dartington as a place of experiment and provides context for our current programme of activities. The Collection has been assembled over many years and comprises of books, furniture, ceramics, paintings and other works of arts such as sculpture.

Preservation and management

Dartington maintains an electronic catalogue of all items in the collection and all conservation work performed on the collection is recorded in this catalogue. Items of the collection are displayed throughout The Dartington Hall estate and on loan to galleries to widen access further.

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Notes to the financial statements

12 Charity and Group Investments

| | Investment properties | Other investments | Total group investments | Charity: Investment in subsidiary undertakings |
|---|-----------------------|-------------------|-------------------------|--|
| | £'000 | £'000 | £'000 | £'000 |
| Cost or valuation | | | | |
| At 1 April 2019 | 25,643 | 210 | 25,853 | 395 |
| Transfer from fixed assets | 19 | - | 19 | - |
| Seedbed loans repaid | - | (130) | (130) | - |
| Reversal of previous impairment provision | - | 39 | 39 | - |
| Transfer to assets held for resale | (6,468) | - | (6,468) | - |
| Disposals | (3,940) | - | (3,940) | - |
| Revaluation | 1,524 | - | 1,524 | - |
| At 31 August 2020 | 16,778 | 119 | 16,897 | 395 |

| | | | | |
|--------------------------|--------------|------------|--------------|------------|
| Historical cost | | | | |
| At 31 March 2019 | 3,660 | 270 | 3,930 | 395 |
| At 31 August 2020 | 2,750 | 119 | 2,869 | 395 |

Investment property is measured on an existing use basis. Property valuations are carried out during the year, by suitably qualified internal valuers. Dartington also uses a range of regional and national external valuers to provide independent valuations, the latest of which was performed at 28 May 2018. All external and internal valuers are members of the Royal Institution of Chartered Surveyors and have appropriate qualifications (FRICS) and recent experience in the valuation of properties in the relevant locations. The Trustees believe that the carrying value of the investments is supported by their underlying net assets and forecast future income streams.

A fixed legal charge, secured on property assets to the value of £7.6m, is held by the Dartington Hall Trust pension fund. City Bridge hold a fixed legal charge of £9.1m, secured on property assets, in relation to a £1.3m loan facility.

Other investments include 29.3% of the ordinary share capital of Grant Instruments (Cambridge) Limited. The results of Grant Instruments (Cambridge) Limited for the years ended 31 December 2019 and 2018 respectively were:

| | 2019 12 months to 31 Dec £'000 | 2018 12 months to 31 Dec £'000 |
|-------------------------------|---|---|
| Profit for the financial year | 287 | 121 |
| Other comprehensive income | (485) | 134 |
| Shareholders' funds | (4,473) | (4,273) |

| | 2020 £'000 | 2019 £'000 |
|--|---------------|---------------|
| Investments in excess of 5% of total investments | | |
| Charity and group: | | |
| Investment properties | 16,778 | 25,643 |

The Dartington Hall Trust

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Notes to the financial statements

13 Assets held for resale

| | Group | Charity | Group | Charity |
|-----------------------------------|---------|---------|-------|---------|
| | 2020 | 2020 | 2019 | 2019 |
| | £'000 | £'000 | £'000 | £'000 |
| At 31 March 2019 / 31 March 2018 | 3,380 | 3,380 | - | - |
| Transfer from Fixed Assets | - | - | 75 | 75 |
| Transfer from Investments | 6,468 | 6,468 | 3,305 | 3,305 |
| Disposals | (2,130) | (2,130) | | |
| Impairment | (200) | (200) | - | - |
| At 31 August 2020 / 31 March 2019 | 7,518 | 7,518 | 3,380 | 3,380 |

| Historical cost | | | | |
|-------------------|-----|-----|-------|-------|
| At 31 March 2019 | - | - | 2,008 | 2,008 |
| At 31 August 2020 | 783 | 783 | - | - |

14 Subsidiary undertakings

Subsidiary undertakings are shown below.

| | Nature of business | Nature of control |
|---|----------------------------|--|
| Dartington Accommodation & Catering Services Limited | Accommodation & catering | Wholly owned by The Dartington Hall Trust -100% of ordinary shares. |
| Dartington Trading Company Limited (The) | Retail | Wholly owned by The Dartington Hall Trust -100% of ordinary shares |
| Dartington Hall Pension Trustees Limited | Corporate Trustee | Wholly owned by The Dartington Hall Trust -100% of ordinary shares |
| Dartington Hall Estate Bond PLC (dissolved 30 September 2020) | Fund management activities | Wholly owned by The Dartington Hall Trust -100% of ordinary shares |
| Schumacher College Foundation | Support Schumacher College | Wholly controlled. Trustees are either Trustees or Senior Personnel of The Dartington Hall Trust |

15 Consolidated profit and loss account from trading subsidiaries

The wholly owned trading subsidiaries are all incorporated in the United Kingdom. These enterprises pay all taxable profits to the Charity by gift aid.

Dartington Accommodation and Catering Services Limited (Company Number: 01212831) provides hotel services for the charity and external customers including catering, conference and accommodation facilities. The Dartington Trading Company Limited (Company Number: 01218378) runs the Shops at Dartington (formerly the Cider Press Centre), a visitor attraction with shops, eating places and workshops. Dartington Hall Estate Bond PLC (Company Number: 11273345) was set up to provide fund management services for the charity, did not trade during the period under review, and was dissolved in September 2020. Schumacher College Foundation (Company Number: 2654912, Charity Number: 1057915) promotes and organises schemes to provide education for the benefit of the public and in particular to support and encourage the work of Schumacher College (an activity of The Dartington Hall Trust).

All intra group transactions have been eliminated on consolidation. Dartington Hall Pension Trustees Limited is

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also a wholly owned subsidiary and is currently dormant. The Directors of the Dartington Hall Pension Trustees Limited are listed on page 51. The registered office of the subsidiary companies is the same as the Dartington Trust and is stated on page 51.

A summary of the subsidiaries financial statements is shown below:

| | Dartington Accommodation and Catering Services Limited | The Dartington Trading Company Limited | Dartington Hall Estate Bond PLC | Schumacher College Foundation | Total |
|--|---|--|---------------------------------------|-------------------------------------|--------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Period 1/4/2019 to 31/8/2020 | | | | | |
| Turnover | 3,787 | 2,996 | - | 160 | 6,943 |
| Other income | 229 | 212 | - | - | 441 |
| Total income | 4,016 | 3,208 | - | 160 | 7,384 |
| Total costs | (3,923) | (3,222) | - | (425) | (7,570) |
| Profit / (Loss) retained in subsidiary | 93 | (14) | - | (265) | (186) |
| The assets and liabilities of the subsidiaries were: | | | | | |
| Total assets | 633 | 1,087 | 32 | 1,928 | 3,680 |
| Total liabilities | (286) | (330) | (11) | (161) | (788) |
| Total net assets | 347 | 757 | 21 | 1,767 | 2,892 |
| Aggregate share capital and reserves | 347 | 757 | 21 | 1,767 | 2,892 |

| | Dartington Accommodation and Catering Services Limited | The Dartington Trading Company Limited | Dartington Hall Estate Bond PLC | Schumacher College Foundation | Total |
|--|---|--|---------------------------------------|-------------------------------------|--------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Year ended 31 March 2019 | | | | | |
| Turnover | 3,538 | 2,825 | - | 2,001 | 8,364 |
| Total costs | (3,553) | (2,832) | (29) | (147) | (6,561) |
| (Loss)/Profit retained in subsidiary | (15) | (7) | (29) | 1,854 | 1,803 |
| The assets and liabilities of the subsidiaries were: | | | | | |
| Total assets | 630 | 915 | 37 | 2,094 | 3,676 |
| Total liabilities | (376) | (144) | (16) | (62) | (598) |
| Total net assets | 254 | 771 | 21 | 2,032 | 3,078 |
| Aggregate share capital and reserves | 254 | 771 | 21 | 2,032 | 3,078 |

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Notes to the financial statements

16 Stock

| | Group | Charity | Group | Charity |
|-------------------|------------|-----------|------------|-----------|
| | 2020 | 2020 | 2019 | 2019 |
| | £'000 | £'000 | £'000 | £'000 |
| Livestock | 25 | 25 | 25 | 25 |
| Consumable stores | 2 | 2 | 9 | 9 |
| Retailing | 271 | - | 428 | - |
| Raw materials | 40 | 25 | 52 | 29 |
| Total | 338 | 52 | 514 | 63 |

Stock amounting to £1.9m (2019: £1.9m) was included in cost of sales during the year.

17 Debtors

| | Group | Charity | Group | Charity |
|--------------------------------|--------------|--------------|--------------|--------------|
| | 2020 | 2020 | 2019 | 2019 |
| | £'000 | £'000 | £'000 | £'000 |
| Trade debtors | 902 | 852 | 625 | 574 |
| Other debtors | 1,191 | 1,081 | 409 | 378 |
| Prepayments and accrued income | 119 | 52 | 99 | 81 |
| Total | 2,212 | 1,985 | 1,133 | 1,033 |

18 Creditors: amounts falling due within one year

| | Group | Charity | Group | Charity |
|--|--------------|--------------|--------------|--------------|
| | 2020 | 2020 | 2019 | 2019 |
| | £'000 | £'000 | £'000 | £'000 |
| Trade creditors | 789 | 572 | 1,070 | 928 |
| Amounts owed to group undertakings | - | 889 | - | 830 |
| Taxation and social security | 1,053 | 968 | 153 | - |
| Other creditors | 134 | 80 | 19 | 5 |
| Payments received for performance related grants | 2 | 2 | 23 | 23 |
| City Bridge loan | 1,253 | 1,253 | - | - |
| Accruals and deferred income | 2,958 | 2,717 | 2,040 | 1,836 |
| Total | 6,189 | 6,481 | 3,305 | 3,622 |

City Bridge hold a fixed legal charge of £9.1m, secured on property assets, in relation to a £1.3m loan facility. The balance of the City Bridge loan is due to be repaid by 31 March 2021.

At 31 March 2019, amounts due after more than one year comprised £3m due to City Bridge.

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Deferred income includes fees received in advance of a course taking place, Partner grants, contract income and grants when the income is subject to performance related conditions and events and when these conditions have not been met within the accounting year.

| | 1 April 2019 £'000 | Released £'000 | Deferred £'000 | 31 August 2020 £'000 |
|------------------------------------|--------------------------|-------------------|-------------------|----------------------------|
| Fees received in advance | 376 | 376 | 154 | 154 |
| Partner Grants received in advance | 247 | 247 | 1,223 | 1,223 |
| Contract income | 99 | 99 | 395 | 395 |
| Grant income | 99 | 99 | 25 | 25 |
| Rental income | 8 | 8 | 22 | 22 |
| Total | 829 | 829 | 1,819 | 1,819 |

19 Analysis of group net assets between funds

| | Unrestricted funds £'000 | Restricted funds £'000 | Total funds £'000 |
|--|-----------------------------|---------------------------|----------------------|
| Group fund balances at 31 August 2020 are represented by: | | | |
| Tangible assets | 10,531 | - | 10,531 |
| Assets for resale | 7,518 | - | 7,518 |
| Investments | 16,897 | - | 16,897 |
| Net current assets and liabilities falling due within one year | (337) | 2,742 | 2,405 |
| Long term pension liability | (3,251) | - | (3,251) |
| | 31,358 | 2,742 | 34,100 |

| | Unrestricted funds £'000 | Restricted funds £'000 | Total funds £'000 |
|--|-----------------------------|---------------------------|----------------------|
| Charity fund balances at 31 August 2020 are represented by: | | | |
| Tangible assets | 10,484 | - | 10,484 |
| Assets for resale | 7,518 | - | 7,518 |
| Investments | 17,292 | - | 17,292 |
| Net current assets and liabilities falling due within one year | (1,417) | 976 | (441) |
| Long term pension liability | (3,251) | - | (3,251) |
| | 30,626 | 976 | 31,602 |

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Notes to the financial statements

20 Group statement of funds

| | Balance at 31 March 2019 | Income | Expend- iture | Gains and losses on revaluation | Transfers between funds | Balance at 31 August 2020 |
|----------------------------------|--------------------------------|--------|------------------|---------------------------------------|-------------------------------|------------------------------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Unrestricted Funds | | | | | | |
| General fund | 2,057 | 11,248 | (15,695) | 1,728 | 3,083 | 2,421 |
| Designated funds: | | | | | | |
| Fixed asset fund | 8,391 | - | - | - | (151) | 8,240 |
| Maintenance fund | 1,669 | - | - | - | - | 1,669 |
| Subsidiary fund | 651 | 6,965 | (6,843) | - | (42) | 731 |
| RiP fund | 803 | - | (259) | - | 260 | 804 |
| Total designated funds | 11,514 | 6,965 | (7,102) | - | 67 | 11,444 |
| Revaluation fund | 23,334 | - | - | 1,324 | (3,914) | 20,744 |
| Pension reserve | (2,757) | - | - | (1,258) | 764 | (3,251) |
| Total unrestricted funds | 34,148 | 18,213 | (22,797) | 1,794 | - | 31,358 |
| Restricted funds | | | | | | |
| Summer School | 80 | 500 | (259) | - | - | 321 |
| Social Entrepreneurs | - | 535 | (535) | - | - | - |
| SEEDbed | 111 | - | - | - | - | 111 |
| Public Health England | - | 79 | (79) | - | - | - |
| Refugee Support Network | 8 | - | (8) | - | - | - |
| Esmee Fairbairn | 55 | 36 | (47) | - | - | 44 |
| Caddy Legacy – mixed | - | 60 | - | - | - | 60 |
| Gyani - Cabin | - | 35 | - | - | - | 35 |
| Wilson Legacy – listed buildings | - | 185 | - | - | - | 185 |
| Schumacher College | 20 | 62 | (66) | - | - | 16 |
| Schumacher College Foundation | 2,032 | 159 | (424) | - | - | 1,767 |
| Gardens | 87 | 118 | (21) | - | - | 184 |
| Other | 34 | 75 | (90) | - | - | 19 |
| Total restricted funds | 2,427 | 1,844 | (1,529) | - | - | 2,742 |
| Total funds | 36,575 | 20,057 | (24,326) | 1,794 | - | 34,100 |

Designated funds

Fixed assets fund: This fund represents the net book value of our land and buildings fixed assets in the Dartington estate and the Dartington collection. The Trustees have designated this fund to represent the proportion of the Dartington unrestricted funds not readily transferable into cash and as a consequence unable to be spent on our ongoing charitable activities. The in-year transfer represents the movement in value of these assets during the year. See note 11a for full details.

Maintenance fund: This fund protects the organisation from unplanned and significant expenditure required to maintain the estate. It does not reflect the full value of all necessary works required as determined by the estate plan. This fund is utilised when unexpected maintenance is needed in addition to the day-to-day planned maintenance programme.

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Subsidiary fund: This fund represents the P&L reserves held in Dartington's subsidiary companies and is therefore not accessible to fund Dartington's day-to-day activities.

RiP fund: This fund is held to invest in the development and operating activities of Research in Practice and Research in Practice for Adults, including amounts to fund the ongoing development of the RiP and RiPFA web presence.

Revaluation fund: This fund represents the unrealised gain in value on our investment assets. The in-year transfer reflects the realised gain relating to assets that have been sold during the year.

21 Charity statement of funds

The statement of funds for the charity is the same as the table for the Group after removing the Subsidiary Fund, in designated funds, of £0.73m (2019: £0.65m) and Schumacher College Foundation restricted fund, £1.77m (2019: £2.0m).

22 Cash flow information for the Group

| | 01/04/2019 to 31/08/2020 £'000 | Year ended 31/03/ 2019 £'000 |
|---|--------------------------------------|------------------------------------|
| (a) Reconciliation of net (expenditure)/income to net cash outflow from operating activities: | | |
| Net (expenditure)/income for the period | (1,217) | 5,740 |
| Depreciation | 545 | 417 |
| (Profit) / Loss on disposal of fixed assets | (394) | 10 |
| (Profit) on disposal of investments | (1,728) | - |
| Revaluation of investments | (1,524) | (9,389) |
| Impairment of fixed assets | 919 | - |
| Impairment of investments | 161 | 32 |
| Pension scheme charge / (credit) | (764) | 109 |
| Decrease / (Increase) in stocks | 176 | 438 |
| Decrease / (Increase) in debtors | (1,079) | 2,032 |
| (Decrease) / Increase in creditors | 1,631 | (416) |
| Rental income receivable | (1,165) | (1,153) |
| Seedbed interest received | (16) | (17) |
| Interest receivable | (19) | (9) |
| Net cash outflow from operating activities | (4,474) | (2,206) |

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| | 01/04/2019 to 31/08/2020 £'000 | Year ended 31/03/2019 £'000 |
|--|--------------------------------------|-----------------------------------|
| (b) Reconciliation of net cash flow to movements in net funds and debt: | | |
| Increase in cash and cash equivalents in the year | 2,609 | 479 |
| Decrease/(increase) in City Bridge Loan | 1,747 | (3,000) |
| Movement in net funds and debt in the year | | |
| Net funds at 1 April | 435 | 2,956 |
| Net funds at 31 August 2020 / 31 March 2019 | 4,791 | 435 |

| | 1 April 2019 £'000 | Cash flow £'000 | 31 August 2020 £'000 |
|--|--------------------------|--------------------|----------------------------|
| (c) Analysis of net funds and debt: | | | |
| Cash at bank and in hand | 3,435 | 2,609 | 6,044 |
| City Bridge Loan | (3,000) | 1,747 | (1,253) |
| Total | 435 | 4,356 | 4,791 |

23 Capital commitments

At the 31 August 2020, The Dartington Hall Trust had financial commitments on building contracts of £685k (2019: nil).

24 Defined benefit pension scheme liability

Pension commitments

Stakeholder Pension Scheme

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £364,076 for the 17 month period (2019: £260,527 for the year). Contributions totalling £18,924 were outstanding at the period-end (2019: £22,877). There were no amounts prepaid at the year end.

Dartington Hall Estate Pension Fund

Dartington operates a funded pension scheme, established under The Trust, providing benefits based on final salary. The total contributions made for the 17 month period ended 31 August 2020 were £1,204,381 (2019: £128,167) of which employer's contributions totalled £1,204,381 (2019: £128,167) and employees' contributions totalled £0 (2019: £0). Additional contributions, funded by asset disposals, were made to the pension fund during the period to fund the majority of the deficit at the last funding valuation. Consequently no annual payments under a recovery plan are required. The most recent actuarial valuation of the pension fund was prepared to 5th April 2019.

During the 17 month period to 31 August 2020, the Pension Trustees awarded two discretionary increases to pensions accrued before 6 April 1997. The estimated cost of this was £333,000 and is shown as a past service cost in the following disclosures.

This defined benefit pension scheme was closed to new members on 1 October 2006 and to future accrual on 5 October 2010. Standard Life and Legal and General act as investment managers to the Pension Trustees.

The financial assumptions used by the actuary to calculate the scheme liabilities under FRS102 were as follows:

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| | 01/04/2019 to 31/08/2020 % | Year ended 31/03/2019 % |
|--|----------------------------------|-------------------------------|
| Rate of increase in pensionable salaries | 3.0 | 3.3 |
| RPI inflation | 3.0 | 3.3 |
| CPI inflation | 2.2 | 2.4 |
| Rate of increase in pensions in payment: | | |
| 5.00% / RPI | 3.0 | 3.3 |
| 2.50% / RPI | 1.9 | 2.1 |
| Discount rate for liabilities | 1.5 | 2.4 |

The mortality assumptions have been updated and are based on standard mortality tables which allow for future mortality improvements. As at 31 March 2019, mortality was assumed to be in line with S2PA base tables with allowance for future improvements in line with the 2018 version of the CMI (core) projection model with long term improvements of 1% per annum. For this year's figures, the S3PA base tables have been adopted together with the 2019 version of the CMI (core) projection model (with a long-term rate of improvement of 1% per annum). The effect of these changes was to increase the defined benefit obligation by around 2%.

| | 01/04/2019 to 31/08/2020 | Year ended 31/03/2019 |
|----------------------|-----------------------------|--------------------------|
| Retiring today: | | |
| Males | 21.7 | 21.3 |
| Females | 24.0 | 23.2 |
| Retiring in 20 years | | |
| Males | 22.7 | 22.3 |
| Females | 25.1 | 24.4 |

The value of assets in the scheme and the present value of liabilities at the balance sheet date were:

| | 2020 Fair value £'000 | 2019 Fair value £'000 |
|--|-----------------------------|-----------------------------|
| Equities | 9,990 | 8,701 |
| Bonds | 2,651 | 2,357 |
| LDI funds | 3,106 | 3,517 |
| Annuity policies | 2,572 | 2,610 |
| Cash | 395 | 943 |
| Net current assets | 1,068 | - |
| Total market value of assets | 19,782 | 18,128 |
| Present value of scheme liabilities | (23,033) | (20,885) |
| Deficit in the scheme | (3,251) | (2,757) |

The pension fund holds a fixed legal charge, secured on two investment properties on the Dartington estate. The properties are valued at £7.6m and disclosed in note 12a Charity and Group Investments. The pension fund does not occupy any property or use any other assets.

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Notes to the financial statements

The amounts charged to Statement of Financial Activities is follows:

| | 01/04/2019 to 31/08/2020 £'000 | Year ended 31/03/2019 £'000 |
|--|--------------------------------------|-----------------------------------|
| Past service cost | 333 | 170 |
| Administrative expenses | 33 | 19 |
| Interests cost | 685 | 521 |
| Interest income | (611) | (465) |
| Total cost of defined benefit pension fund scheme | 440 | 245 |

In addition to the costs above, the Trust incurred direct costs of £182k (2019: £87k) for the administration of the pension scheme. Therefore, total costs of the closed defined benefit pension scheme were £622k (2019: £532k)

Actual return on scheme assets:

| | | |
|---------------------------------------|--------------|------------|
| Interest on pension assets | 611 | 465 |
| Actuarial gain on assets | 1,374 | 216 |
| Actual return on scheme assets | 1,985 | 681 |

Analysis of amount recognised in Statement of Financial Activities

| | 01/04/2019 to 31/08/2020 £'000 | Year ended 31/03/2019 £'000 |
|---|--------------------------------------|-----------------------------------|
| Total actuarial (loss) | (1,258) | (452) |
| Total actuarial (loss) | (1,258) | (452) |
| Total cumulative actuarial loss recognised in SOFA at 1 April | (5,139) | (4,687) |
| Total cumulative actuarial loss recognised in SOFA at 31 March | (6,397) | (5,139) |

Movement in deficit in the period:

| | 01/04/2019 to 31/08/2020 £'000 | Year ended 31/03/2019 £'000 |
|---|--------------------------------------|-----------------------------------|
| Deficit in scheme at the start of the period | (2,757) | (2,196) |
| Employer contributions | 1,204 | 136 |
| Past service cost | (333) | (170) |
| Other finance cost | (74) | (56) |
| Scheme expenses | (33) | (19) |
| Actuarial (loss) | (1,258) | (452) |
| Deficit in scheme at end of the period | (3,251) | (2,757) |

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Asset and liability reconciliation

| | 01/04/2019 to 31/08/2020 £'000 | Year ended 31/03/2019 £'000 |
|---|--------------------------------------|-----------------------------------|
| Reconciliation of liabilities | | |
| Liabilities at the start of the year | 20,885 | 20,519 |
| Interest cost | 685 | 521 |
| Actuarial loss | 2,632 | 668 |
| Benefits paid | (1,502) | (993) |
| Past service cost | 333 | 170 |
| Liabilities at the end of the period | 23,033 | 20,885 |

| | 01/04/2019 to 31/08/2020 £'000 | Year ended 31/03/2019 £'000 |
|--|--------------------------------------|-----------------------------------|
| Reconciliation of assets | | |
| Assets at the start of the period | 18,128 | 18,323 |
| Interest income | 611 | 465 |
| Actuarial gain | 1,374 | 216 |
| Employer contributions | 1,204 | 136 |
| Scheme expenses | (33) | (19) |
| Benefits paid | (1,502) | (993) |
| Assets at the end of the period | 19,782 | 18,128 |

25 Financial commitments

The company had no annual commitments under non-cancellable operating leases. The group had the following annual commitments under non-cancellable land and buildings operating leases:

| | Group 2020 Land and buildings £'000 | Group 2019 Land and buildings £'000 |
|---|--|--|
| Less than one year | 22 | 22 |
| Later than one year and not later than five years | 24 | 24 |

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Notes to the financial statements

26 Related party transactions

| Name | Organisation / Role | Nature of related party transaction |
|---------------|---------------------|---|
| Rachel Watson | DHT – Trustee | Director of Riverford Organic Farms Ltd. Dartington paid £31k (2019: £25k) for goods supplied. Creditor balance £0 (2019: £2.2k) Director of Ben's Farm Shop Dartington paid £10.2k (2019: £3.5k) for goods supplied. Creditor balance £0.4k (2019: £0.8k) |

Advantage has been taken of the exemption not to provide details of the transactions between members of the consolidated group.

27 Ultimate control

No one individual has ultimate control over The Dartington Hall Trust.

28 Post balance sheet event

On 31 March 2021, the City Bridge loan of £1.25m was repaid and on 28 June 2021 a loan facility of £3m from Triodos Bank was agreed and drawn down. This facility is secured on £5m of residential property and is subject to covenants but these do not come into effect until the year ending 31 August 2023.

The Dartington Hall Trust

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Legal and administrative information

Legal and administrative information

Reference and administrative details

Charity number: 279756
Company number: 01485560
Registered office: The Elmhirst Centre, Dartington Hall, Totnes, Devon TQ9 6EL
Website: www.dartington.org

Directors and Trustees

The Trustees of the charitable company (the charity) are its directors for the purpose of the Companies Act 2006 and throughout this report are collectively referred to as the Trustees. The Trustees who were in office serving during the year and up to the date of signing the financial statements were as follows:

| | |
|---|---|
| Dr Greg Parston (Chair) | Tim Jones |
| Sylvie Pierce | Andrew Ward |
| Chris Maw (appointed 06 December 2019) | Glenn Woodcock (appointed 06 December 2019) |
| Emma Gladstone (appointed 06 December 2019) | Peter Goldsbrough (appointed 19 June 2020) |
| Rachel Watson (appointed 19 June 2020) | Amanda Jordan (appointed 14 March 2020) |
| Nigel Topping | Robert Sexton (resigned 13 March 2020) |
| Sangeeta Singh-Watson MBE (resigned 06 December 2019) | Julia Unwin (resigned 06 December 2019) |
| Charlotte Alldritt (appointed 18 September 2020) | |

Senior management personnel

Directorate (current)
Alan Boldon (Chief Executive Officer)
Mark Taylor (Finance and Estate Services Director) (appointed 1 September 2019)
Pavel Cenkl (Director of Learning) (appointed 15 February 2020)
Gemma Loverock (Director of Human Resources) (appointed 12 March 2021)
Emily Hoare (Senior Producer and Arts Team Leader) (appointed 12 March 2021)

Senior management

Dez Holmes (Director of Research in Practice)
Barbara King (resigned 31 May 2021 Managing Director, the Shops @ Dartington)
Vikki Matthews (resigned 31 July 2020 Director of People)
Tim Allen (resigned 09 April 2020 Director of Finance and Resources)
Urszula Kossakowska (resigned 30 June 2020 Visitor Experience Director)
Jo Talling (resigned 21 October 2020 Property Director)
Rebecca Renfro (resigned 14 October 2019 Director of Marketing and Communications)
Amy Bere (resigned 30 September 2020 General Manager of the Arts)

Company Secretary

Mark Taylor (appointed 17 June 2020)
Tim Allen (appointed 10 May 2019 resigned 09 April 2020)
Christopher Moores (resigned 10 May 2019)

Directors of Dartington Hall Pension Trustees Ltd

| | |
|----------------|-------------|
| Gareth J Keene | Alan D Reid |
| Paul Kemmer | Mark Taylor |

Bankers:

Barclays Bank Plc
3 Bedford Street,
Exeter EX1 1LX

Solicitors:

Michelmores Solicitors LLP
Woodwater House, Pynes Hill,
Exeter, Devon EX2 5WR

Auditors:

Pricewaterhouse Coopers LLP
2 Glass Wharf
Bristol BS2 0FR