

REGISTERED COMPANY NUMBER: 908985 (England and Wales)
REGISTERED CHARITY NUMBER: 312101

REPORT OF THE TRUSTEES AND
CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021
FOR
EMERSON COLLEGE TRUST LIMITED

HPCA Limited
Chartered Accountants
and Statutory Auditors
Station House
Connaught Road
Brookwood
Woking
Surrey
GU24 0ER

EMERSON COLLEGE TRUST LIMITED
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for the year ended 30 June 2021

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EMERSON COLLEGE TRUST LIMITED

REPORT OF THE TRUSTEES **for the year ended 30 June 2021**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the consolidated financial statements of the charity and its subsidiary for the year ended 30 June 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

Objectives and organisation of the charity

The principal objective of the charity is the administering of the Emerson College Trust Limited and the promotion of an adult centre of training for study and research in accordance with Steiner educational principles with special emphasis on education, agriculture, arts and science. This benefits society by furthering alternative models in areas which are generally acknowledged to be in need of new thinking.

In furtherance of its objects, the charity operates Emerson College, Forest Row. Funds raised and donations are applied to promote study and research in anthroposophy and biodynamic agriculture.

The Trustees are aware of their duty to have due regard to the Charity Commission's public benefit guidance in formulating the strategy for the charity. They are satisfied that the objectives of the charity are of public benefit.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Emerson College is a vibrant college with a rich, exciting and varied programme of courses, performances and talks. After completing a successful revival of all our activities just before the start of the pandemic, we were hit hard by the pandemic. In the past year we have continued to develop our own courses and build up a number of successful partnerships with other course providers and individuals to offer inspiring courses on the Emerson campus in three different fields:

- o Arts: visual arts, storytelling (a range of short, modular and longer courses), clowning, eurythmy, poetry, sacred geometry, ceramics, singing;
- o Care: anthroposophic nursing, anthroposophic medicine, mental health, social therapy, counselling, herbal medicine, psychotherapy, holistic baby and child care; spiritual Care for those on the journey of death and dying, working with trauma.
- o Ecology: sustainable agriculture, Goethean science, water research, medicinal herb cultivation;

Covid lockdowns as well as travel restrictions affected all students and staff, in particular our programme in China and our new training in Biodynamic Agriculture which we were not able to start. All our ongoing Emerson courses were delivered online as soon as face to face teaching was no longer possible. Whenever possible we operated with Covid rules in place which meant substantial extra work in administration, cleaning, extra training for staff in infection prevention and control, and a reduction in our capacity of 50%.

We have made preparations for a new course to train professionals to work with people who have experienced trauma in collaboration with a German organisation. The course will be launched in September 21.

We have enabled 8 participants to attend courses through a reduction of fees from our bursary fund. This gave access to courses for people on Universal Credit, on low income due to caring responsibilities for a family member, artists who were out of work due to Covid, single parents and people recovering from Covid.

During the lockdown and since, our campus and the vegetable garden became a hub for the onsite residents as well as locals – and an important place to escape loneliness, connect with nature and other people under the strict Covid rules. Many more people came to the campus for their walks, to buy freshly grown biodynamic vegetables and to find relief from the stresses of the pandemic in our peaceful garden; our campus remains open to the general public and is an important part of the village of Forest Row and the surrounding areas. We are committed to provide this facility for the benefit of the general public now and in future.

A donation from the Mahle Stiftung enabled us to buy tools for the garden, purchase water tanks to collect rain water and improve accessibility on the campus for students and visitors.

Our 5 art studios were occupied during the whole year and many fine pieces of art have been created and exhibited. Our flats on site were rented through the whole period.

EMERSON COLLEGE TRUST LIMITED

REPORT OF THE TRUSTEES **for the year ended 30 June 2021**

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The college has upgraded our student houses with small renovations (painting and new floors). We have also installed a fibre internet connection to allow us to teach online classes. A grant from Hermes Trust enabled us to buy the necessary equipment for online teaching. The roofs of 2 of our main teaching buildings have been repaired partly by our own staff and through a contractor.

While our bookings have remained low during 2021, we are seeing a slow but steady improvement in the number of students coming back to the campus in line with the relaxation of travel rules and covid measures.

Many of our staff were on furlough or on part-furlough. The government payments helped to reduce our substantial losses as we had very little income from residential students. We have also received a Covid grant from Wealden District Council of £18,214, and a grant from Software AG Stiftung of £6,707 for our Holistic Baby and Child Care programme. We secured a loan of £200,000 through the government scheme (CIBLS) to ensure the liquidity of the trust.

Future development

Before the start of the pandemic we had increase all our activities to sustain the Trust and plans were in place to gain the necessary funds to repay the debt to the Mercury pension fund and the renovation of Pixton, a listed building in the centre of the campus. The loss of income during the pandemic forced the management to review our aims for the upcoming year and to adjust to the new situation.

Focal points of our efforts in the coming year are:

- o Securing planning permission for the Pixton development to create a new and innovative co-housing scheme for the elderly
- o Renovation of Pixton
- o Moving our catering facilities to Ruskin to allow the Pixton development
- o Rebuilding our income following the impact of the Covid-19 pandemic through the development of new courses, increased enrolment and venue hire
- o Repaying the CIBLS loan
- o Enriching the cultural and creative life of Forest Row with artistic events and lectures
- o Maintaining our publicly accessible estate, as a place of beauty for the benefit of our community and visitors
- o Gaining the Demeter certification for our estate
- o Offering an apprenticeship place in biodynamic growing in partnership with BDAC
- o Developing an online system for student enrolment
- o Renewing our website and increasing our reach on social media
- o Improving our donation software
- o Increasing our fundraising efforts to support our work
- o Increasing our efforts to apply for grants to renovate our facilities and improve accessibility

Our Board structure, which includes the Director of Development and Director of Operations together with the trustees, continues to work well. There were no changes to our trustees.

During the year a total of £53,627 was received in donations, including £6,814 from our trading subsidiary, plus £25,921 in other grants.

EMERSON COLLEGE TRUST LIMITED

REPORT OF THE TRUSTEES **for the year ended 30 June 2021**

FINANCIAL REVIEW

Investment policy and objectives

The Trustees have unlimited investment powers and currently the charity has unlisted investments as detailed in the notes to the financial statements.

Reserves policy

The Trustees consider that the charity's assets are adequate to fulfil its obligations and that it has sufficient free reserves to meet all ongoing operating costs for a period of six months. As at 30/06/2021 the Trust and its subsidiary held a total of £453,315 in cash, with an outstanding loan of £200,000.

OPERATING COSTS AND INCOME

Following 2 years of modest surplus we made an operating loss of £152,093, excluding MPPS pension expenses and the donation from our trading subsidiary.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, the memorandum and articles of association, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Organisational structure

The charity is governed by its Memorandum and Articles of Association.

Activities are overseen by the Council consisting of Trustees who meet 4 times each year or more frequently if required.

The Articles of Association lay down that the Council shall comprise no fewer than 3 and no more than 20 Trustees. All Trustees need to be a member of the association.

Induction and training of new trustees

Trustees are appointed at the AGM when at least a third of the existing Trustees must stand down. Anyone wishing to become a Trustee must first become a member of the Emerson Association. As the Association is premised on the vision and work of Rudolf Steiner, it is essential that all Trustees can demonstrate that they are familiar with this vision and that it is an integral part of their lives.

Other qualities that Emerson Association would value in prospective Trustees would be experience working in other charities, specific professional skills, or experience in the field of adult education. Several of the existing Trustees were former students at Emerson.

At present Emerson does not have any specific policy on Trustee training, except to ensure all Trustees are familiar with current charity law and the duties of Trusteeship, but of course the Trust would send individual Trustees on special courses if this were deemed necessary. However to ensure good working practice, there are regular discussions concerning Charity Commission guidance on good governance and practice at Trustee meetings.

EMERSON COLLEGE TRUST LIMITED

REPORT OF THE TRUSTEES
for the year ended 30 June 2021

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
908985 (England and Wales)

Registered Charity number
312101

REFERENCE AND ADMINISTRATIVE DETAILS

Registered office

Pixton
FOREST ROW
East Sussex
RH18 5JX

Trustees

Dr J Dyson	
M Leach	-appointed 18.12.20
P Blaxland de Lange	
G Perry	
K Orsak	
R Levy	
A Blampied-Radojoin	

EMERSON COLLEGE TRUST LIMITED

REPORT OF THE TRUSTEES
for the year ended 30 June 2021

Auditors

HPCA Limited
Chartered Accountants
and Statutory Auditors
Station House
Connaught Road
Brookwood
Woking
Surrey
GU24 0ER

Bankers

HSBC Bank plc
1 Middle Row
East Grinstead
West Sussex
RH19 3AY

Bankers

Santander
56 - 58 London Road
East Grinstead
West Sussex
RH19 1BJ

EMERSON COLLEGE TRUST LIMITED

REPORT OF THE TRUSTEES **for the year ended 30 June 2021**

STATEMENT OF TRUSTEES RESPONSIBILITIES

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

AUDITORS

The auditors, HPCA Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on ~~xx December~~ 5.11.21 2021 and signed on its behalf by:


A Blampied-Radojcic - Trustee

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
EMERSON COLLEGE TRUST LIMITED**

Opinion

We have audited the financial statements of Emerson College Trust Limited (the 'parent charitable company') and its subsidiary (the group) for the year ended 30 June 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Company Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 30 June 2021 and of the group's incoming resources and application of resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
EMERSON COLLEGE TRUST LIMITED**

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the group's and parent 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's or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

the engagement partner ensured that the engagement team collectively had the appropriate competence,

- capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;

we identified the laws and regulations applicable to the charitable company through discussions with trustees

- and other management, and from our commercial knowledge and experience of the sector;

we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including compliance for accrediting, , the Companies Act 2006, taxation, data protection, safeguarding, employment, environmental and health and

- safety legislation;

we assessed the extent of compliance with the laws and regulations identified above through making

- enquiries of management and inspecting legal correspondence; and

identified laws and regulations were communicated within the audit team regularly and the team remained

- alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:
making enquiries of management as to where they considered there was susceptibility to fraud, their

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
EMERSON COLLEGE TRUST LIMITED**

- knowledge of actual, suspected and alleged fraud; and considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and
- regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
 - tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative
- of potential bias; and
 - investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to any actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators including the Health and Safety Executive, and the company's legal advisors.

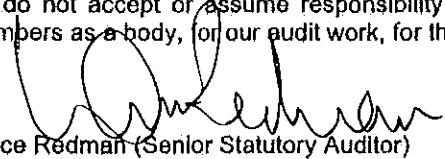
There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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 Report of the Independent Auditors.

Use of our report

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



Lance Redman (Senior Statutory Auditor)
for and on behalf of HPCA Limited
Chartered Accountants
and Statutory Auditors
Station House
Connaught Road
Brookwood
Woking
Surrey
GU24 0ER

Date: 12 November 2021

EMERSON COLLEGE TRUST LIMITED

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
for the year ended 30 June 2021**

		Unrestricted funds	Restricted funds	Total 2021 funds	Total 2020 funds
	Notes	£	£	£	£
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	40,183	32,552	72,735	266,849
Charitable activities					
Education	4	448,041	-	448,041	874,643
Investment income	3	165	-	165	386
Trading income	21	2,500	-	2,500	215,000
Other income	5	69,828	-	69,828	956,672
Total		560,717	32,552	593,269	2,313,550
 EXPENDITURE ON					
Subsidiary's trading activities	21	37,147	-	37,147	225,972
 Charitable activities					
Education	6	721,867	28,745	750,612	1,048,044
Bank loan interest		-	-	-	-
Total		759,014	28,745	787,759	1,274,016
 NET INCOME/(EXPENDITURE)		(198,297)	3,807	(194,490)	1,039,534
 Transfers between funds	18	4,227	(4,227)	-	-
Net movement in funds		(194,070)	(420)	(194,490)	1,039,534
 RECONCILIATION OF FUNDS					
Total funds brought forward		2,445,536	182,482	2,628,018	1,588,484
 TOTAL FUNDS CARRIED FORWARD		<u>2,251,466</u>	<u>182,062</u>	<u>2,433,528</u>	<u>2,628,018</u>

The notes form part of these financial statements

EMERSON COLLEGE TRUST LIMITED

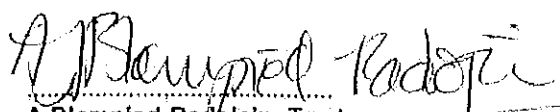
CONSOLIDATED BALANCE SHEET

At 30 June 2021

	Notes	Unrestricted funds £	Restricted funds £	Total funds 2021 £	Total funds 2020 £
FIXED ASSETS					
Tangible assets	13	2,239,979	-	2,239,979	2,252,039
Investments	14	<u>12,267</u>	<u>-</u>	<u>12,267</u>	<u>12,267</u>
		2,252,246	-	2,252,246	2,264,306
CURRENT ASSETS					
Stocks	15	860,037	-	860,037	862,741
Debtors	16	154,112	-	154,112	182,388
Cash at bank and in hand		<u>275,775</u>	<u>182,062</u>	<u>457,837</u>	<u>411,841</u>
		1,289,924	182,062	1,471,986	1,456,970
CREDITORS					
Amounts falling due within one year	17	<u>(395,402)</u>	<u>-</u>	<u>(395,402)</u>	<u>(311,292)</u>
NET CURRENT ASSETS		<u>894,522</u>	<u>182,062</u>	<u>1,076,584</u>	<u>1,145,678</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		3,146,768	182,062	3,328,830	3,409,984
CREDITORS					
Amounts falling due after more than one year		(186,667)	-	(186,667)	-
PENSION LIABILITY	19	<u>(708,635)</u>	<u>-</u>	<u>(708,635)</u>	<u>(781,966)</u>
NET ASSETS		<u>2,251,466</u>	<u>182,062</u>	<u>2,433,528</u>	<u>2,628,018</u>
FUNDS	18				
Unrestricted funds				2,251,466	2,445,536
Restricted funds				<u>182,062</u>	<u>182,482</u>
TOTAL FUNDS				<u>2,433,528</u>	<u>2,628,018</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to charitable small companies.

The financial statements were approved by the Board of Trustees on 5.11.21 and were signed on its behalf by:


A Blampied-Radojcin - Trustee

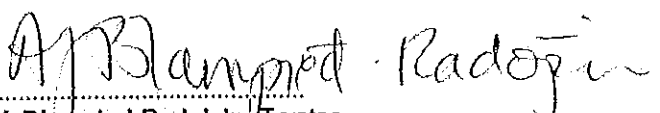
The notes form part of these financial statements

EMERSON COLLEGE TRUST LIMITED
CHARITABLE COMPANY BALANCE SHEET
At 30 June 2021

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
FIXED ASSETS					
Tangible assets	13	2,239,979	-	2,239,979	2,252,039
Investments	14	<u>12,268</u>	<u>-</u>	<u>12,268</u>	<u>12,268</u>
		2,252,247	-	2,252,247	2,264,307
CURRENT ASSETS					
Stocks	15	22,126	-	22,126	24,830
Debtors	16	1,191,156	-	1,191,156	1,386,194
Cash at bank and In hand		<u>73,674</u>	<u>182,062</u>	<u>255,736</u>	<u>41,165</u>
		1,286,956	182,062	1,469,018	1,452,189
CREDITORS					
Amounts falling due within one year	17	<u>(392,435)</u>	<u>-</u>	<u>(392,435)</u>	<u>(306,512)</u>
NET CURRENT ASSETS		<u>894,521</u>	<u>182,062</u>	<u>1,469,018</u>	<u>1,145,677</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		3,146,768	182,062	3,328,830	3,409,984
CREDITORS					
Amounts falling due after more than one year		(186,667)	-	(186,667)	-
PENSION LIABILITY	19	<u>(708,635)</u>	<u>-</u>	<u>(708,635)</u>	<u>(781,966)</u>
NET ASSETS		<u>2,251,466</u>	<u>182,062</u>	<u>2,433,528</u>	<u>2,628,018</u>
FUNDS	18				
Unrestricted funds				2,251,466	2,445,536
Restricted funds				<u>182,062</u>	<u>182,482</u>
TOTAL FUNDS				<u>2,433,528</u>	<u>2,628,018</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to charitable small companies.

The financial statements were approved by the Board of Trustees on 5.11.21 and were signed on its behalf by:


A Blampied-Radojcin Trustee

The notes form part of these financial statements

EMERSON COLLEGE TRUST LIMITED

CONSOLIDATED CASH FLOW STATEMENT
for the year ended 30 June 2021

	Notes	2021 £	2020 £
Cash flows from operating activities:			
Cash generated from operations	1	(127,984)	109,522
Interest paid		<u>-</u>	<u>-</u>
Net cash provided by (used in) operating activities		(127,984)	109,522
 Cash flows from investing activities:			
Purchase of tangible fixed assets		(26,185)	(83,502)
Interest received		<u>165</u>	<u>386</u>
Net cash provided by (used in) investing activities		(26,020)	(83,116)
 Cash flows from financing activities:			
New loan in year		<u>200,000</u>	<u>-</u>
Net cash provided by (used in) financing activities		200,000	-
 Change in cash and cash equivalents in the reporting period		45,996	26,406
Cash and cash equivalents at the beginning of the reporting period		411,841	385,435
 Cash and cash equivalents at the end of the reporting period		<u>457,837</u>	<u>411,841</u>

The notes form part of these financial statements

EMERSON COLLEGE TRUST LIMITED

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
for the year ended 30 June 2021

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

	2021 £	2020 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(194,490)	1,039,534
Adjustments for:		
Depreciation charges	38,245	37,388
Interest received	(165)	(386)
Interest paid	-	-
Movement in pension liability	(73,331)	(46,435)
(Increase)/decrease in stocks	2,704	(793,337)
(Increase)/decrease in debtors	28,276	(50,000)
Increase/(decrease) in creditors	<u>70,777</u>	<u>(77,242)</u>
Net cash provided by (used in) operating activities	<u>(127,984)</u>	<u>109,522</u>

EMERSON COLLEGE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 30 June 2021

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value.

Income

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

Expenditure

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

Allocation and apportionment of costs

Resources expended are included in the Statement of Financial Activities on an accruals basis and are allocated to a specific activity where costs relate directly to that activity.

Costs of generating funds are the costs directly attributable to raising funds.

Charitable expenditure includes all costs directly relating to the objective of the charity and the costs involved supporting that work.

Governance costs relate to the costs of legal and professional fees, audit fees.

Support costs include those costs connected with the management of the charity's assets, organisational management and administration and compliance with constitutional and statutory requirements.

Expenditure on support costs of the charity includes all expenditure not directly related to the charitable activity or fundraising ventures.

Tangible fixed assets

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

Freehold property	- 1% on cost
Short leasehold	- Over the life-time of the 7 years lease
Machinery and office equipment	- 20-25% on reducing balance
Fixtures and fittings	- 25% on reducing balance and 10% on cost
Library Books	- 15-25% on reducing balance

Assets costing £750 or more are capitalised. All other assets under this amount are expensed to the income and expenditure account.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from corporation tax on its charitable activities.

EMERSON COLLEGE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
for the year ended 30 June 2021

1. ACCOUNTING POLICIES - continued

Group Financial Statements

The financial statements consolidate the results of the charity and its wholly owned subsidiary Emerson College Enterprise Limited on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the Trust has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

Fund accounting

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

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Pension costs and other post-retirement benefits

The charitable company was contributing to the Mercury Provident Pension Scheme which is an unsegregated multi-employer defined-benefit scheme. This is a collective policy scheme (i.e. members have a joint and several obligation to pay the liabilities of any member who is not able to pay) for employees of a number of anthroposophical institutions in the UK and the assets of the scheme are held independently and separate to those of the charitable company. The scheme has been closed to further benefit accrual. The last actuarial valuation carried out to 29 December 2020 identified a funding short fall of £12.2 million for the scheme as a whole. Emerson's share of the best estimate valuation of the deficit was revalued in the financial statements for the year ended 30 June 2016, based on the actuarial valuation as at 31 December 2016. Although the 2020 valuation shows an improved position the deficit shown in the financial statements continues to be based upon the independent professional advice as is more fully explained in note 19.

Subsequent to the closure of the defined benefit scheme the charitable company has commenced contributing towards a money purchase pension scheme. Contributions payable for the year are charged in the income and expenditure account.

Investments

Fixed asset investments loans are stated at cost as they are ultimately redeemable at their original value and are not saleable. Other equities are stated at market value derived from information offered by the issuing company.

2. DONATIONS AND LEGACIES

	2021	2020
	£	£
Donations	49,314	30,579
Legacies	-	145,270
Grants	25,921	91,000
	<u>72,735</u>	<u>266,849</u>

In addition to the above donations a further donation of £6,814 (2020: £21,900) was received from the college's subsidiary, Emerson College Enterprises Limited and this is not reflected in the consolidated accounts.

3. INVESTMENT INCOME

	2021	2020
	£	£
Investment interest	<u>165</u>	<u>386</u>
	<u>165</u>	<u>386</u>

EMERSON COLLEGE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
for the year ended 30 June 2021

4. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2021 £	2020 £
Student fees	Education	144,344	236,157
Student fees discount	Education	(22,749)	-
Student boarding & Catering	Education	62,611	389,289
Other Income	Education	144,710	73,999
Venue hire & rental income	Education	<u>119,125</u>	<u>175,198</u>
		<u>448,041</u>	<u>874,643</u>

Included in Venue hire & rental income are short hires £15,734 (2020: £76,081), workspace rentals £18,769 (2020: £16,047) and residential rental income of £84,621 (2020: £83,070)

5. OTHER INCOME

During the year the subsidiary received rental income of £38,728 (2020: £25,755) and furlough income of £31,100 (2020: £6,892).

6. CHARITABLE ACTIVITIES COSTS

	Direct costs (See note 7) £	Support costs (See note 8) £	Totals £
Education	<u>525,236</u>	<u>225,376</u>	<u>750,612</u>

7. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2021 £	2020 £
Staff costs	364,557	423,843
Tutor Fees	71,038	92,691
Tutor accommodation & material	16,612	27,773
Provisions and household	11,902	64,919
Garden costs	15,799	1,489
Library and Bookshop materials	8,290	12,708
Repairs and maintenance	36,173	42,900
Administration and courses	309	-
Bad Debts	556	870
Pixton Third Age Project	-	<u>103,791</u>
	<u>525,236</u>	<u>770,984</u>

8. SUPPORT COSTS

	Management £	Governance costs £	Totals £
Education	<u>213,106</u>	<u>12,270</u>	<u>225,376</u>

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

EMERSON COLLEGE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
for the year ended 30 June 2021

8. SUPPORT COSTS - continued

Management

	2021 Education £	2020 Total activities £
Trustees' fees	11,280	3,917
Trustees' expenses	1,431	1,036
Rates and Water	17,326	35,359
Insurance	17,563	18,115
Light and heat	29,791	50,151
Telephone, internet & copier	5,931	3,665
Postage and stationery	240	745
Advertising & publicity	19,301	11,315
Office equipment and IT	26,061	25,802
Pension admin fees	4,495	-
Pension deficit administration	13,851	13,191
Pension deficit finance costs	5,793	34,634
Pension Levy	11,444	9,804
Professional fees	3,346	4,670
Travel & other costs	427	1,945
Membership Fees	2,837	2,522
Bank & other charges	3,744	9,499
Depreciation of tangible and heritage assets	<u>38,245</u>	<u>37,388</u>
	<u>213,106</u>	<u>263,758</u>

Governance costs

	2021 Education £	2020 Total activities £
Auditors' remuneration	7,000	7,000
Auditors' remuneration for non audit work	5,270	6,302
Legal & professional fees	-	-
	<u>12,270</u>	<u>13,302</u>

9. NET INCOME/(EXPENDITURE)

Net Income/(expenditure) is stated after charging/(crediting):

	2021 £	2020 £
Auditors' remuneration	7,000	7,000
Other non-audit services	5,270	6,302
Depreciation - owned assets	<u>38,245</u>	<u>37,388</u>

The subsidiary's audit and accountancy fee was £2,920 (2020: £2,280)

EMERSON COLLEGE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
for the year ended 30 June 2021

10. TRUSTEES' REMUNERATION AND BENEFITS

	2021 £	2020 £
Trustees' fees	<u>11,280</u>	<u>3,917</u>
Trustees' expenses		
	2021 £	2020 £
Trustees' expenses	<u>1,431</u>	<u>1,036</u>

Trustees' expenses relate to travel and subsistence

11. STAFF COSTS

	2021 £	2020 £
Wages and salaries	381,104	430,572
Social security costs	22,483	28,681
Other pension costs	<u>6,288</u>	<u>6,726</u>
	<u>409,875</u>	<u>465,979</u>

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

	2021 <u>18</u>	2020 <u>18</u>
Teaching and administration		

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

The key management personnel of the charity are the trustees and departmental directors. The total employment costs including employer pension contributions of key management personnel totalled £ £79,092 (2020: £80,942). Included in key management personnel are trustees costs relating to J Dyson £5,012 for tutor fees and meals and £700 for mileage and A Blampied – Radojcin £6,859 for tutor fees and meals and £100 for trustees expenses and K Orsak £49 for trustees expenses.

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	10,137	256,712	266,849
Charitable activities			
Education	874,643	-	874,643
Investment income	386	-	386
Trading income	215,000	-	215,000
Other income	<u>956,672</u>	<u>-</u>	<u>956,672</u>
Total	2,056,838	256,712	2,313,550

EMERSON COLLEGE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
for the year ended 30 June 2021

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
EXPENDITURE ON			
Charitable activities			
Education	942,976	105,068	1,048,044
Bank loan interest	-	-	-
Subsidiary's trading activities	<u>225,972</u>	<u>-</u>	<u>225,972</u>
Total	<u>1,168,948</u>	<u>105,068</u>	<u>1,274,016</u>
NET INCOME/(EXPENDITURE)	887,890	151,644	1,039,534
RECONCILIATION OF FUNDS			
Transfers between funds	27,881	(27,881)	-
Total funds brought forward	<u>1,529,765</u>	<u>58,719</u>	<u>1,588,484</u>
TOTAL FUNDS CARRIED FORWARD	<u><u>2,445,536</u></u>	<u><u>182,482</u></u>	<u><u>2,628,018</u></u>

EMERSON COLLEGE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
for the year ended 30 June 2021

13. TANGIBLE FIXED ASSETS (GROUP AND COMPANY)

	Freehold property £	Short leasehold £	Machinery and office equipment £
COST			
At 1 July 2020	2,489,560	77,000	165,781
Additions	-	-	1,200
Disposals	-	-	-
At 30 June 2021	<u>2,489,560</u>	<u>77,000</u>	<u>165,781</u>
DEPRECIATION			
At 1 July 2020	321,774	77,000	153,491
Charge for year	24,896	-	2,994
Eliminated on disposal	-	-	-
At 30 June 2021	<u>346,670</u>	<u>77,000</u>	<u>156,485</u>
NET BOOK VALUE			
At 30 June 2021	<u>2,142,890</u>	<u>-</u>	<u>10,496</u>
At 30 June 2020	<u>2,167,786</u>	<u>-</u>	<u>12,290</u>
	Fixtures and fittings £	Library Books £	Totals £
COST			
At 1 July 2020	366,661	16,848	3,115,850
Additions	24,985	-	26,185
Disposals	-	-	-
At 30 June 2021	<u>391,646</u>	<u>16,848</u>	<u>3,142,035</u>
DEPRECIATION			
At 1 July 2020	294,698	16,848	863,811
Charge for year	10,355	-	38,245
Eliminated on disposal	-	-	-
At 30 June 2021	<u>305,053</u>	<u>16,848</u>	<u>902,056</u>
NET BOOK VALUE			
At 30 June 2021	<u>86,593</u>	<u>-</u>	<u>2,239,979</u>
At 30 June 2020	<u>71,963</u>	<u>-</u>	<u>2,252,039</u>

EMERSON COLLEGE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
for the year ended 30 June 2021

14. FIXED ASSET INVESTMENTS (GROUP)

	Listed Investments £
MARKET VALUE	
At 1 July 2020 and 30 June 2021	<u>12,267</u>
NET BOOK VALUE	
At 30 June 2021	<u>12,267</u>
At 30 June 2020	<u>12,267</u>

There were no investment assets outside the UK.

Emerson College holds 265 Depository Receipts in Triodos Bank NV.

The charitable company's investment at the Balance Sheet date includes the £1 ordinary share in Emerson College Enterprises Limited set up to develop some of the properties with Emerson College site.

Emerson College Enterprises Limited

Class of shares - Ordinary holding 100%

15. STOCKS

	2021 £	2020 £
Stocks - Company	22,126	24,830
Work-in-progress - Subsidiary	837,911	837,911
Group	<u>860,037</u>	<u>862,741</u>

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Group	2021 £	2020 £
Trade debtors	112,319	107,175
Other debtors	21,751	73,037
Intercompany account	-	-
Prepayments and accrued income	<u>20,042</u>	<u>2,176</u>
	<u>154,112</u>	<u>182,388</u>

Company	2021 £	2020 £
Trade debtors	111,972	105,674
Other debtors	14,375	63,712
Intercompany account	1,044,767	1,214,632
Prepayments and accrued income	<u>20,042</u>	<u>2,176</u>
	<u>1,191,156</u>	<u>1,386,194</u>

EMERSON COLLEGE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
for the year ended 30 June 2021

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Group	2021	2020
	£	£
Trade creditors	48,674	51,362
Social security and other taxes	6,352	5,322
Other creditors	6,512	9,126
Pension creditor	56,472	53,367
Private loans	2,500	2,500
Accruals and deferred income	261,559	189,615
Bank Loan	<u>13,333</u>	<u>-</u>
	<u>395,402</u>	<u>311,292</u>
 Company	 2021	 2020
	£	£
Trade creditors	48,208	51,362
Social security and other taxes	6,351	5,322
Other creditors	6,512	9,126
Pension creditor	56,472	53,367
Accruals and deferred income	261,559	187,335
Bank Loan	<u>13,333</u>	<u>-</u>
	<u>392,435</u>	<u>306,512</u>

The pension creditor disclosed as due within one year represents an estimate of the reduction in the liability which will be achieved in the next 12 months and not the actual payments to be made in the next year.

EMERSON COLLEGE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
for the year ended 30 June 2021

18. MOVEMENT IN FUNDS

	At 1.7.20	Net movement in funds	Transfers between funds	At 30.6.21
	£	£		£
Unrestricted funds				
General fund	2,418,086	(198,070)	-	2,220,017
Biodynamic agriculture	25,019	-	-	25,019
Holistic Baby & Child Care BD 14/15	2,160	(186)	-	1,974
Course Development				
Library	271	(41)	-	229
Storytelling Beyond Words Designated	-		4,227	4,227
	<hr/>	<hr/>	<hr/>	<hr/>
	2,445,536	(198,297)	4,227	2,251,466
 Restricted funds				
Biodynamic agriculture fund	-	16,699	-	16,699
Initiative Group	1,593			1,593
Greenhouse	-	-	-	-
Ruskin Hall (Refurbishment)	16,954	-	-	16,954
Stage	330	-	-	330
Library - hol Baby & Child	1,510	-	-	1,510
Bursary Holistic Baby	1,087	-	-	1,087
Pixton	-	-	-	-
Anthroposophic Nursing	1,036	-	-	1,036
Healing Words	3,858	-	-	3,858
Storytelling Bursary	5,473	(1,504)	(4,227)	-
Storytelling	2,580	(771)	-	1,809
Emerson Bursary	2,533	(1,128)	-	1,405
Practitioners & Teachers	145,270	(9,489)	-	135,781
	<hr/>	<hr/>	<hr/>	<hr/>
	182,482	3,807	(4,227)	182,062
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<hr/> 2,628,018	<hr/> (194,490)	<hr/> -	<hr/> 2,433,528

EMERSON COLLEGE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
for the year ended 30 June 2021

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	534,393	(732,463)	(198,070)
Biodynamic agriculture	-	-	-
Holistic Baby & Child Care BD 14/15 Course Development Library	11,926	(12,112) (41)	(186) (41)
	<hr/> 546,319	<hr/> (744,616)	<hr/> (198,297)
Restricted funds			
Pixton	-	-	-
Emerson Bursary	732	(1,860)	(1,128)
Practitioners & Teachers	-	(9,489)	(9,489)
Storytelling Bursary	138	(1,642)	(1,504)
Storytelling General	-	(771)	(771)
Biodynamic agriculture fund	31,682	(14,983)	16,699
	<hr/> 32,552	<hr/> (28,745)	<hr/> 3,807
TOTAL FUNDS	<hr/> <u>578,871</u>	<hr/> <u>(773,361)</u>	<hr/> <u>(194,490)</u>

EMERSON COLLEGE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
for the year ended 30 June 2021

18. MOVEMENT IN FUNDS - continued
Comparatives for movement in funds

	At 1.7.19	Net movement in funds	Transfers between funds	At 30.6.20
	£	£		£
Unrestricted funds				
General fund	1,501,391	888,814	27,881	2,418,086
Blodynamic agriculture	25,859	(840)	-	25,019
Holistic Baby & Child Care BD	2,244	(84)	-	2,160
14/15 Course Development				
Library	271	-	-	271
	<u>1,529,765</u>	<u>887,890</u>	<u>27,881</u>	<u>2,445,536</u>
Restricted funds				
Initiative Group	1,593	-	-	1,593
Greenhouse	19,370	7,184	(26,554)	-
Ruskin Hall (Refurbishment)	21,072	-	(4,118)	16,954
Stage	330	-	-	330
Library - hol Baby & Child	1,510	-	-	1,510
Bursary Holistic Baby	1,087	-	-	1,087
Pixton	-	(2,791)	2,791	-
Anthroposophic Nursing	1,036	-	-	1,036
Healing Words	3,858	-	-	3,858
Storytelling Bursary	5,473	258	-	5,731
Storytelling	3,390	(810)	-	2,580
Emerson Bursary	-	2,533	-	2,533
Practitioners & Teachers	-	145,270	-	145,270
	<u>58,719</u>	<u>151,644</u>	<u>(27,881)</u>	<u>182,482</u>
TOTAL FUNDS	<u>1,588,484</u>	<u>1,039,534</u>	<u>-</u>	<u>2,628,018</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,057,678	(1,168,864)	888,814
Biodynamic agriculture	(840)		(840)
Holistic Baby & Child Care BD 14/15 Course Development	-	(84)	(84)
	2,056,838	(1,168,948)	887,890
Restricted funds			
Greenhouse	7,184	-	7,184
Healing Words	-	-	-
Pixton	101,000	(103,791)	(2,791)
Emerson Bursary	2,545	(12)	2,533
Practitioners & Teachers	145,270	-	145,270
Storytelling Bursary	258	-	258
Storytelling	330	(1,140)	(810)
Biodynamic agriculture fund	125	(125)	-
	256,712	(105,068)	151,644
TOTAL FUNDS	2,313,550	(1,274,016)	1,039,534

EMERSON COLLEGE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
for the year ended 30 June 2021

18. MOVEMENT IN FUNDS - continued

RESTRICTED FUNDS

Biodynamics agriculture fund

This fund represents the donation from a third party to construct and equip a building to support a biodynamic training scheme. The building was constructed a number of years ago, but as the trustees are of the opinion that the restriction imposed by the donor extends beyond the construction of the building to an ongoing requirement that the building is used for the prescribed purpose this fund stands at the value of the original donation less the estimated depreciation of the building since its construction. Emerson College Trust Limited no longer owns this building and the balance has now been transferred to general reserves.

Initiative Group

Funds raised to support students' social activities.

Greenhouse

Donations have been received to construct a greenhouse within the college site to enable more food to be grown in the garden and to be more self-sustaining.

Ruskin Hall

Funds were received for the refurbishment of Ruskin Hall.

Stage

Funds were received to improve the stage in Ruskin Hall.

Bursary - Holistic Baby & Child

Funds were received which are to be applied to a bursary on this course.

Library - Holistic and baby childcare

Fund for Steiner Waldorf International birth to three training programme.

Pixton

To develop Pixton building

Anthroposophic Nursing

Fund for the experienced based training in anthroposophical nursing which leads to an extended understanding of the human body.

Healing Words

Donation from Storytelling for furtherment of storytelling course

Storytelling Bursary

Funds to provide bursaries for students on Storytelling Beyond Words course

Storytelling

These are the donations received for the art and craft of storytelling to prepare people to carry the spoken word with a lively imagination into the community and places of work.

Emerson Bursary

Bursaries are offered to students in cases decided by the college.

Practitioners and Teachers

A legacy was received to set up a bursary for practitioners and teachers.

DESIGNATED FUNDS

Biodynamics agriculture

This fund provides bursary support for students wishing to train in biodynamic agriculture at the college.

Holistic Baby & Child Course Development

This fund represents course development for the Holistic Baby and Child course..

Library

This fund was set up this year for donations towards the restoration of the building.

Transfer between funds

Storytelling beyond words bursary fund has been reallocated to designated funds under the direction of the donors to cover storytelling beyond words projects.

19. PENSION COMMITMENTS

As referred to in the accounting policies the charitable company participates in a defined benefit pension scheme, providing benefits based on final pensionable earnings, which is the basic salary. The scheme has equal pension rights with respect to members of either sex. The assets of the scheme are held in a separate trustee administered (multi-employer) fund. Although the assets and liabilities of the fund are not wholly attributable to the charitable company the scheme actuaries have calculated each employer's share of the funding shortfall as the proportion of the total that their past service liability bears to the total past service liability.

The actuary's report as at 31 March 2007 disclosed that the scheme was in deficit in the order of £4.7 million and that Emerson College Trust Limited's share of that deficit was £434,000 and this was reflected in the accounts to 30th June 2008. The scheme funding shortfall was adjusted for contributions and expenses and accrued to 31st December 2008 and resulted in a revised deficit of £5.049 million with Emerson College Trust Limited's share rising to £449,945.

The scheme has been closed to further benefit accrual, and the future contributions levels have been calculated to eliminate the scheme deficit over a period of 19 years. These contributions commenced at £31,622 per annum together with an annual £10,694 contribution to cover expenses. Every 1 April the contributions are increasing by 5%. Emerson also has a liability with the other employers of the scheme to fund the scheme's shortfall. The annual contribution from January 2021 increased to approximately £92,061

The most recent actuarial valuation was undertaken by an independent professionally qualified actuary as at 29 December 2020 using the statement of funding principles. The principal assumptions which have the most significant effect on the computation of the pension costs are those related to the rate of return on investments (assumed to be 2.2% post retirement and 2.2% pre-retirement) and the rate of increase in the Consumer Prices Index (assumed to be 2.0% pa). These assumptions have been derived from the market yields applying at the valuation date. In particular, the investment return used relating to pre-retirement liabilities was 2.15 percentage points per annum in excess of the assumed rate of increase in consumer price inflation.

The actuarial Valuation Initial Results as at December 2020 showed that the scheme was in deficit in the order of £12.2 million, and that Emerson's share of that deficit was approximately £1.8 million. The best estimate valuation of the deficit at 29 December 2020 was less than £5 million - Best estimate basis is the calculation of the liability with all margins for prudence removed. **This is the basis which the actuaries expect to reflect the true cost of providing benefits to members of the Scheme.**

As there was such a huge difference between the deficit in the scheme as calculated on the SFO basis from the best estimate the trustees obtained independent professional advice as to when the current payment plan would eliminate Emerson's share of the deficit. The independent actuary's opinion was that the current payment plan will pay off the deficit by 2029 not 2035 as anticipated under the SFO basis. The deficit reflected in the Balance Sheet is based on the fair value of the agreed payments to 2029 using a discount rate of 4%.

The balance due to the defined benefit pension scheme relating to the funding shortfall as referred to above at the year-end was estimated to be £765,107 (2020: £835,332).

The total payments made to this pension scheme in the year under review was £89,869 (2020: £88,266). The payment was composed of 3 parts, pension administration £13,861, finance costs £5,793 & repayment of the deficit £70,225.

EMERSON COLLEGE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
for the year ended 30 June 2021

20. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 30th June 2021.

21. TRADING INCOME AND EXPENDITURE

The subsidiary's income was £72,328 (2020: £247,872), made up of trading income £2,500 (2020: £215,000) and other income £69,828 (2020: £32,872) and the costs before donation and interest to Emerson College Trust Limited were £37,147 (2020: £225,972).

22. FINANCIAL PERFORMANCE OF THE CHARITABLE COMPANY

	2021	2020
	£	£
Income	543,815	1,141,878
Interest from intercompany loan	28,242	-
Gift from Subsidiary	6,814	21,900
Gain on sale of tangible fixed assets	-	923,800
	578,871	2,087,578
Expenditure on charitable activities	773,361	1,048,044
Net (expenditure)/income	(194,490)	1,039,534
Total funds brought forward	2,628,018	1,588,484
Total funds carried forward	2,433,528	2,628,018
Represented by:		
Unrestricted Funds	2,248,367	2,445,536
Restricted Funds	185,161	182,482
Total Funds	2,433,528	2,628,018