

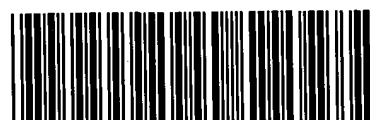
Registered number: 08148546

Central Schools Trust
Trustees' Report and Financial Statements
for the year ended 31 August 2022



flourishing together

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CONTENTS

	Page
Reference and Administrative Details	1
Trustee's Report	2 - 15
Governance Statement	16 - 21
Statement on Regularity, Propriety and Compliance	22
Statement of Trustee's Responsibilities	23
Independent Auditors' Report on the Financial Statements	24 - 27
Independent Reporting Accountant's Report on Regularity	28 - 29
Statement of Financial Activities Incorporating Income and Expenditure Account	30
Balance Sheet	31
Statement of Cashflows	32
Notes to the Financial Statements	33 - 58

REFERENCE AND ADMINISTRATIVE DETAILS
for the year ended 31 August 2022



Members	T G Miller (resigned 4 October 2022) S Brookes (resigned 12 July 2022) C Large D J Robinson (appointed 4 October 2022) Dr B Mabey (appointed 13 July 2022)
Trustees	S-J Miller, Chair of Trustees from 23 July 2022 G T Burgess, Chief Executive Officer D J Robinson, Chair of Trustees until 22 July 2022 (resigned 22 July 2022) H C Dean J McConaghy Dr B Mabey (resigned 12 July 2022) M Thumpston G Fenton C Roberts K Barker (appointed 4 October 2022)
Company Registered Number	08148546
Company Name	Central Schools Trust
Principal and registered office	Balsall Street East Balsall Common Coventry West Midlands CV7 7FS
Chief Executive Officer	G T Burgess
Senior Management Team	G T Burgess, Chief Executive Officer D. Chillcott, Chief Finance Officer E Hume, Head Teacher M Brown, Acting Head Teacher (resigned 31 August 2022) M Bains, Assistant Head Teacher E Hull, Assistant Head Teacher N Ireland, Assistant Head Teacher
Independent Auditors	Dains Audit Limited 15 Colmore Row Birmingham B3 2BH
Bankers	Lloyds Bank PLC 9-11 Poplar Road Solihull B91 3AN

TRUSTEES' REPORT

for the year ended 31 August 2022



The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2022. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

Structure, governance, and management

a. Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association dated 18 July 2012, and amended 20 July 2016, are the primary governing documents of the academy trust.

The Trustees of Central Schools Trust are also the directors of the charitable company for the purpose of company law.

On 1 August 2016, Balsall Common Primary School converted to a Multi Academy Trust. The charitable company is now known as Central Schools Trust. There are two schools within Central Schools Trust; Balsall Common Primary School; and Damson Wood Nursery and Infant School.

Details of the Trustees who served during the year, and to the date these accounts are approved are included in the Reference and administrative details on page 1.

b. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

c. Method of recruitment and appointment or election of Trustees

The management of the Trust is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

In accordance with the Articles of Association, the Trust's Board comprises the following:

- The Board will consist of at least eight trustees appointed by the members.
- The Chief Executive Officer, who is treated for all purposes as being an ex-officio Trustee
- There is provision for Parent Trustees if there were no parental representation on the LGBs
- Co-opted Trustees appointed by the Trustees.

Trustees are appointed for a four-year period, except that this time limit does not apply to the Chief Executive Officer. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected.

When appointing new Trustees, the Board will give consideration to the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Trust's development.

TRUSTEES' REPORT

for the year ended 31 August 2022



The Trust Board has agreed that each Academy within the Trust will be overseen by a Local Governing Body, the Chair of which will report on progress to the Trust Board. Each Local Governing Body will comprise a maximum of 10 members (known as Local Governors) including:

- The Headteacher
- At least two members appointed by the Trust Board
- Two elected parents or guardians of a pupil at the academy
- Up to two employees of the academy, usually comprising one teacher and one non-teaching member of staff, elected by employees of the academy
- Up to three members co-opted by the Local Governors.

Governors are appointed for a four-year period, except this time limit does not apply to the Headteacher or the Chief Executive Officer. Subject to remaining eligible to be a particular type of Governor, any Governor can be re-appointed or re-elected providing they have signed and complied with the Governors Code of Conduct.

When appointing Governors, the Trust Board will give consideration to the skills and experience mix of the existing Governors in order to ensure that the Board has the necessary skills to contribute fully to the Academy's development.

d. Policies adopted for the induction and training of Trustees

The Trust Board has devised an informal induction process to ensure that all Trustees/Governors understand their roles and responsibilities. The training and induction provided for new Trustees/Governors will depend on their experience but would always include an optional tour of the Academy/Academies with the Chair of the Trust/Governors and a chance to meet staff and pupils. All Trustees/Governors provided with statutory policies, procedures, minutes, accounts and budgets and other documents they will need to undertake their role as Trustees/Governors. Trustees/Governors are assigned a mentor and a record of the induction process during the first year is regularly updated, Trustees/Governors make regular use of the training packages offered by Solihull Governor Services and Link Learning modules provided by the National Governance Association; these activities are coordinated by the Clerk to the Board, the Governance Professional. All Trustees/Governors are subject to DBS checks.

e. Organisational structure

The Finance Committee meets every half term. The Board establishes an overall framework for the governance of the Trust and determines membership, terms of reference, and procedures of Committees, Local Governing Bodies and other groups. It receives reports, from its Committees for ratification. It monitors the activities of the Committees through the minutes of its meetings and may, from time to time, establish Working Groups to perform specific tasks over a limited timescale.

There are three committees which report to the Trust Board as follows: Finance Committee, Audit Committee and the annual Pay Committee, which is held in the autumn term.

TRUSTEES' REPORT

for the year ended 31 August 2022



Audit Committee

The Audit Committee meets a minimum of four times a year and is responsible for maintaining oversight over the trust's financial, governance, risk management and internal control systems. It reports termly and annually to the Trust Board and the Accounting Officer as a critical element of the trust's annual reporting requirement. The committee produces an annual internal scrutiny report in areas reviewed by internal audit covering key findings, recommendations and conclusions and is also responsible for overseeing the annual review of the trust's risk register. The Committee also reviews the external auditor's plan and the actions taken by the trust's SLT in response to those findings.

Finance Committee

Trust board meets every half term and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, fundraising and compliance with reporting and regulatory requirements. It also receives reports from an external source in the form of an internal audit and risk review. It also drafts the annual budget for trust board approval. It is also responsible for monitoring the site and buildings of the Academies of the Trust, determining what routine improvements should be made and planning for the future expansion or enhancement of the current facilities.

Pay Committee

This committee meets once a year and is authorised by the Trust Board to determine all matters relating to pay and related performance of staff to establish a whole trust pay policy. The pay policy is adopted by the Trust Board and is monitored and reviewed as necessary.

Local Governing Bodies

Each Academy is overseen by a Local Governing Body which then reports into the Trust Board and the committees on a minimum termly basis. It is the responsibility of each Local Governing Body to monitor their Academy performance against its approved School Improvement Plan and review the Academy's in-year budget with the Headteacher. Any major concerns, or need to deviate from the approved plans, must be brought to the attention of the Trust Board for prior approval.

f. Arrangements for setting pay and remuneration of key management personnel

The Trust Board review, consult upon and adopt a Trust Pay Policy on an annual basis. This document is provided by the Department for Education and is overruled, after consultation has taken place with all stakeholders, by the Human Resources Department at Solihull Metropolitan Borough Council. The Trust takes advice on the wording approved from Solihull Metropolitan prior to undertaking its own internal consultation process and adopting the policy. All pay and remuneration decisions for key management personnel are undertaken in line with the Pay Policy, following completion of the performance management review process. The performance management review is undertaken in line with the Trust Appraisal Policy, which again is issued by the Department for Education, reviewed and consulted upon by Solihull Metropolitan Borough Council and then adopted by the Trust.

TRUSTEES' REPORT
for the year ended 31 August 2022

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the year	2
Full-time equivalent employee number	0

Percentage of time spent on facility time	Number of Employees
0%	-
1%-50%	2
51%-99%	-
100%	-

Percentage of pay bill spent on facility time

Total cost of facility time	£1,200
Total pay bill	£4,049,184
Percentage of total pay bill spent on facility time	0.03%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	0%
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Objectives and activities

a. Objects and aims

Mission

That all children in all academies within the trust:

- are confident, socially and emotionally well-adjusted young people who are prepared for the next stage in their lives
- achieve well and reach the highest possible academic standards

Our Values and Ethos (Our Culture)

Children who attend our schools:

- are treated fairly
- are emotionally and socially well-adjusted young people who feel confident and safe
- are provided with learning experiences that are engaging and fun
- say that they want to come to school, that they enjoy coming to school and that they feel excited about the work they do in school
- are provided with the very best learning experiences possible, irrespective of their individual starting points or specific needs, so that they realise their full potential

That the parents who bring their children to our schools know that:

- their children are well-cared for and kept safe from harm
- their children are supported well socially, emotionally and academically during their time in school
- that they, as parents and carers, are included fully in their children's educational journey

TRUSTEES' REPORT

for the year ended 31 August 2022



Aspirational

- set high expectations of ourselves and others

Honesty and Transparency

- conduct ourselves responsibly, ensuring we remain honest and true

Professionalism and Integrity

- hold with clarity a clear understanding of our core educational purpose and remain professional at all times

Mutual Respect and Partnerships

- treat others with the utmost respect, and expect the same level of respect from others

Vision

- every child will achieve their personal and academic potential through targeted support and learning opportunities.
- throughout their time in our schools, every child will feel safe, happy, valued and included.
- provide opportunities and recognition for high quality professional and personal development.
- maximise the sustainability and benefit of the Trust's assets for all stakeholders
- be recognized by the wider community as a high performing trust that is desirable to parents and carers.

b. Objectives, strategies and activities

The following key areas for development were prioritised in the Schools' individual Development plans.

Balsall Common Primary School

Summary of Targets for 2021-2022

1. Quality of Education

Raise standards across the curriculum so that all children achieve and make good and better progress which meets the schools' high expectations of all learners. Specific areas of focus, highlighted through the data are Girls ARE for writing and SPAG and All children for ARE Maths and Writing

2. Behaviour and Attitudes

All learners have high attendance and are punctual

3. Personal Development

To ensure a safe and happy learning and working environment that supports wellbeing and mental health

4. Leadership and Management

Ensure that Leaders at all levels demonstrate a deep and accurate understanding of the school's effectiveness, informed by the views of pupils, parents and staff. Leaders should utilise this knowledge to keep the school improving, by focusing on the impact of actions in key areas.

Damson Wood Nursery and Infant School

Summary of Targets for 2021- 2022

1. Quality of Education

Achieve GLD at least in line with the national average by the end of Reception. Achieve higher levels of children achieving of GD in KS1 Maths, at least in line with the national average. Ensure KS1 Science results are at least in line with the national average of 82%.

2. Behaviour and Attitudes

Wellbeing of staff and attendance of children, particularly those who are persistently absent.

3. Personal Development

Wider curriculum and continuing professional development of all staff.

4. Leadership and Management

Professional development for middle leaders, Early Careers Teachers and Learning Support staff.

c. Public benefit

In setting objectives and planning activities, the trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public Benefit: running a charity (PB2)'.

Strategic report

Achievements and performance

a. Key performance indicators

The Trustees aim to ensure that the Trust meets the following financial requirements:

- Operates within its means and remains solvent.
- Achieves best value for all activities undertaken and contracted services Maintains appropriate reserves.
- Maintains a balanced budget going forward, taking likely contingencies into account.
- Seeks to maintain the numbers of children in the school.

b. Going concern

The Trustees assess whether the use of the going concern basis is appropriate and whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern. After making appropriate enquiries, the Trust Board has a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

c. Review of activities

Damson Wood Nursery and Infant School became part of Central Schools Trust on 1 August 2016.

Standards of Achievement

In February 2014, Balsall Common Primary School received an Outstanding Ofsted grading, with standards of attainment and achievement being particularly high.

In July 2019, Damson Wood Nursery and Infant School received a Good Ofsted grading, with the quality of leadership being particularly celebrated. The involvement of trust support was also a key feature within the report.

Attainment and Performance

Trust Key Performance Indicators

Pupil Numbers

Pupil numbers at Balsall Common remain consistent, as they have been for many years.

Pupil numbers at Damson Wood have been increasing steadily since the October Census of 2019.

<u>Balsall Common</u>	October '19 ACTUAL	October '20 ACTUAL	October '21 ACTUAL	January '22 ACTUAL	Current April 2022
Number on Roll (NoR)	716	706	712	712	713
Pupil Admission Number (PAN) Nursery	66	58	64	66	65
Pupil Admission Number (PAN) Primary	650	648	648	645	648

<u>Damson Wood</u>	October '19 ACTUAL	October '20 ACTUAL	October '21 ACTUAL	January '22 ACTUAL	Current April 2022
Number on Roll (NoR)	156	157	187	194	204
Pupil Admission Number (PAN) Nursery	50	44	48	56	58
Pupil Admission Number (PAN) Primary	106	113	139	138	146

TRUSTEES' REPORT
for the year ended 31 August 2022



Attendance

Though the national attendance figures for primary schools is yet to be published, weekly attendance figures were made available by the DfE during the 2021-2022 academic year period. Both schools regularly returned attendance figures that were at least in line with the national figures and which were often better. The same is true for teaching and non-teaching attendance.

Balsall Common

Pupils %	Playworkers %	Teachers %	Support Staff %	Week 39
93.5	95.5	91	95.2	School Year 2021-2022

Damson Wood

Pupils %	Playworkers %	Teachers %	Support Staff %	Week 39
92.5	93.9	98.3	94.2	School Year 2021-2022

Trust

Pupils %	Playworkers %	Teachers %	Support Staff %	Week 39
93	94.7	96.3	94.7	School Year 2021- 2022

Pupil Assessment Information

Children in Damson Wood Nursery and Infant School (DW)

Standards for all pupils, in all areas, except for Year 1 phonics, which is broadly in line with the 2022 national averages, and Year 2 GD Maths, are lower than the national averages from 2019 and 2022. Many children join the school at a point other than that of the normal admission time, that being September each year. The majority of these children arrive in school with a lower starting point than those who have been in the school from the beginning. Typically this affects the overall achievement at the end of the year. The evidence of this is that, if we discount those children when calculating progress and achievement, the academic standards are closer to the national averages. Nonetheless, the staff at DW have worked relentlessly over the year to address the significant needs within their community. The standards that have been achieved are well above those predicted at the start of the year and this should be celebrated.

	Reading		Writing		Maths		SPAG		GLD	Phonics
	ARE+	GD	ARE+	GD	ARE+	GD	ARE+	GD		
KS1 NA 2019	75	25	70	16	76	22	75	15	72	Yr 1'82
KS1 NA 2022	67	18	58	8	68	15	tbc	tbc	65	Yr 1'76
Reception	57	N/A	50	N/A	67	N/A	N/A	N/A	45	
Year 1	68	17	58	12	63	15				77
Year 2	50	11	35	11	55	13	28	9		94

TRUSTEES' REPORT
for the year ended 31 August 2022



Children in Damson Wood Nursery and Infant School (DW) – Without the new pupils

	Reading		Writing		Maths		SPAG		GLD	Phonics
	ARE+	GD	ARE+	GD	ARE+	GD	ARE+	GD		
KS1 NA 2019	75	25	70	16	76	22	75	15	72	Yr 1 82
KS1 NA 2022	67	18	58	8	68	15	tbc	tbc	65	Yr 1 76
Reception	72	N/A	63	N/A	81	N/A	N/A	N/A	56	
Year 1	72	17	60	11	66	17				
Year 2	59	15	47	15	56	18	43	14		

Children in Balsall Common Primary School (BCPS)

Children in Reception and Year 1 have managed to recover from the disruption to learning well. GLD (Reception) and Phonics (Year 1) are above the 2022 national averages.

In Year 2, greater depths standards are broadly in line with the 2019 national averages in all areas, and better than that in maths, and above the new 2022 national averages in all areas.

In Year 6, standards in all areas are above the 2022 national averages, apart from GD in reading, which is 1% below, and RWM ARE+ which is exactly in line with the national averages.

BCPS

	Reading		Writing		Maths		SPAG		GLD	Phonics
	ARE+	GD	ARE+	GD	ARE+	GD	ARE+	GD		
KS1 NA 2019	75	25	70	16	76	22	75	15	72	Yr 1 82
KS1 NA 2022	67	18	58	8	68	15	tbc	tbc	65	Yr 1 76
Reception	83		84		85				81.6 ↑	
Year 1	85	33	83	13	83	37				89 ↑
Year 2	↑74	↑22	↑66	↑15	↑77	↑26	63	13		94
	Reading		Writing		Maths		SPAG		RWM	
	ARE+	GD	ARE+	GD	ARE+	GD	ARE+	GD	ARE+	GD
KS2 NA 2019	73	25	78	20	79	27	78	36	65	11
KS2 NA 2022	74	28	70	13	71	22	72	28	59	7
Year 6	77 ↑	27	73 ↑	↑16	67 ↑	25 ↑	75 ↑	28	59 ↔	↑10

Financial review

a. Reserves policy

The Trustees review the reserve levels of the Trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of the Trust, the uncertainty over future income streams and other key risks identified during the risk review.

At 31 August 2022, the Trust had free reserves of £(24,472) (2021 - £(114,163)), fixed asset reserves of £10,625,656 (2021 - £10,458,746) which can only be realised by disposing of tangible fixed assets, and a pension reserve in deficit of £(679,000) (2021 - £(3,247,000)).

b. Investment policy

The Trustees review the investment policy annually. Due to the nature of funding, the Trust may at times hold cash balances surplus to its short term requirements. The Trustees have authorised the use of additional short term bank investment accounts to take advantage of higher interest rates. The Trust's current policy is only to invest funds in risk free and short term (1-3 months) accessible deposit accounts. No other form of investment is currently authorised.

c. Principal risks and uncertainties

The principal risks and uncertainties facing the Trust are as follows:

Financial - The Trust has considerable reliance on continued funding through the ESFA. Whilst the current level of funding is expected to continue, if not increase, due to the Fair Funding Review which was implemented from 1 September 2018, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms. In addition, Trustees are preparing for additional schools to join the trust and have expanded the centralised services provision in anticipation.

Failures in Governance or Management - The risk in this area arises from potential failure to effectively manage the Trust's finances, internal controls, compliance with regulations and legislation, statutory returns etc. Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.

Reputational - The continuing success of the Trust is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk, Trustees ensure that pupil success and achievement are closely monitored and reviewed.

TRUSTEES' REPORT

for the year ended 31 August 2022



Safeguarding and Child Protection - Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health and safety and discipline.

Fraud and Mismanagement of Funds - The Trust has appointed a Responsible Officer to carry out checks on financial systems and records as required by the Academy Trust Handbook. The Chief Finance Officer has undergone AAT training and is an experienced management accountant.

Staffing - The success of the Trust is reliant on the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning in place.

d. Financial review

Most of the Trust's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes.

The Trust also receives grants for fixed assets from the DfE and these are shown in the Statement of Financial Activities as Restricted Income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Trust's accounting policies.

During the year ended 31 August 2022, total expenditure, excluding fixed asset funds and movements on the pension scheme, of £4,833,677 was covered by recurrent grant funding from the DfE and other income of £4,934,118. The revenue surplus in the year after transfers was £89,691.

At 31 August 2022, the net book value of fixed assets was £10,235,573 and movements in tangible fixed assets are shown in note 13 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Trust.

In April 2017, the finance systems for both schools were centralised at Balsall Common Primary School.

Key financial policies adopted or reviewed during the previous period include the Finance Policy which lays out the framework for financial management, including financial responsibilities of the Board, Chief Executive Officer, Headteachers, senior leaders, budgets holders and other staff, as well as delegated authority for spending.

e. Financial and risk management objectives and policies

The Trust has agreed a Risk Management Strategy, a Risk Register and a Risk Management Plan. These have been discussed by Trustees and include the financial risks to the Trust. The register and plan are formally reviewed annually.

TRUSTEES' REPORT

for the year ended 31 August 2022



Trustees have assessed the major risks to which the Trust is exposed, in particular those relating to its finance, teaching, facilities and other operational areas. Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk remains they have ensured they have adequate insurance cover.

Risks to revenue funding from a falling roll are small at Balsall Common Primary School, but at Damson Wood Nursery and Infant School there are some spaces due to previous poor OFSTED reports received. Work to improve standards and therefore pupil numbers has already commenced and the Trustees expect Damson Wood Nursery and Infant School to see an improving position in the short term. However, the freeze on the Government's overall education budget, and increasing employment and premises costs, mean that budgets are exceptionally tight and there is substantial pressure on maintaining a balanced position.

The Trustees examine the financial health formally every half term, reviewing performance against budgets and overall expenditure by means of regular update reports at all Full Board and Finance Committee meetings. The Trustees also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known anticipated commitments.

At the period end, the Trust had no significant liabilities arising from trade creditors or debtors where there would be a significant effect on liquidity.

The Trustees recognise that the defined benefit scheme deficit (Local Government Pension Scheme) which is set out in Note 28 to the financial statements, represents a significant potential liability. However, as the Trustees consider that the Trust is able to meet its known annual contribution commitments for the foreseeable future, the risk from this liability is minimised.

Risk management

The Trustees have assessed the major risks to which the Trust is exposed, in particular those relating to specific teaching, provision of facilities and other operational areas of the Trust and its finances. The Trustees have implemented a system to assess risks the Trust faces, especially in the operational areas (e.g. in relation to teaching, health and safety, and school trips) and in relation to the control of finance. They have introduced systems and internal financial controls in order to minimise risk; all identified risks are reviewed on at least an annual basis. Where significant financial risk remains the Trustees have ensured that they have adequate insurance cover.

The Trust has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

Fundraising

Central Schools Trust employs a professional fundraiser who is responsible for all fundraising activities.

CST has no voluntary or regulating schemes or standards in place and has not failed to comply with schemes or standards during the current financial year.

TRUSTEES' REPORT
for the year ended 31 August 2022



All fundraising activities are monitored by the Chief Executive Officer.

No complaints have been received during this financial year about the CST fundraiser.

CST fundraising is done in association with local business who sponsor the schools on a voluntary basis. The only contact with the general public is for school productions which is attended by parents and other family members who have children in the production. An external charity collection is held on the way out, on a non-pressurised voluntary basis.

The Parent Teachers Associations hold events during the year to raise money for all schools in the Trust but fundraising is done through sales of goods and voluntary donations.

CST does not employ commercial fundraising companies to target individuals for regular donations.

Plans for future periods

The aims for the future from a financial perspective are to:

- Maintain a balanced budget
- Plan for and maintain an appropriate level of reserves
- Use funds prudently to ensure continued proactive upkeep of the estate and buildings have regard for, and monitor, the LGPS liabilities

TRUSTEES' REPORT
for the year ended 31 August 2022



Disclosure of information to auditors

Insofar as the Trustees are aware:

there is no relevant audit information of which the charitable company's auditors are unaware, and that 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.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 15 December 2022 and signed on its behalf by:

S-J Miller
Chair of Trustees

GOVERNANCE STATEMENT
for the year ended 31 August 2022



Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Central Schools Trust has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can provide only reasonable and not absolute assurance against material misstatement or loss.

As Trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Central Schools Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' report and in the statement of trustees' responsibilities. The Board of Trustees has formally met six times during the year.

Attendance during the year at meetings of the Board of Trustees was as follows:

P = present

A= Apologies Received

/ = not in post

CST/MAT Board							Meetings attended
Name	05/10/21	07/12/21	08/02/22	29/03/22	24/05/22	12/07/22	
Daniel Robinson (Chair)	A	A	P	P	A	P	3 out of 6
Sarah-Jane Miller (Vice-Chair)	P	P	P	P	P	P	6 out of 6
Graeme T Burgess	P	P	P	P	P	P	6 out of 6
Helen Dean	P	P	P	P	P	P	6 out of 6
Gary Fenton	P	P	P	P	A	P	5 out of 6
Julia McConaghy	P	P	P	P	P	A	5 out of 6
Bev Mabey	A	P	P	A	A	P	3 out of 6
Claire Roberts	/	P	A	P	A	P	3 out of 5
Mark Thumpston	P	A	P	P	p	p	5 out of 6

GOVERNANCE STATEMENT
for the year ended 31 August 2022

The Audit Committee is also a sub-committee of the main board of Trustees. Its purpose is to:

- Ensure compliance with reporting and regulatory requirements.
- Receive and act upon reports from the Responsible Officer

Attendance during the year at meetings was as follows:

GST Audit Committee					
Name	13/09/21	29/11/21	07/03/22	13/06/22	Meetings attended
Helen Dean (A&RC Chair)	P	P	P	P	4 out of 4
Sarah-Jane Miller	P	P	P	P	4 out of 4
Julia Martin*	P	P	/	/	2 out of 2
Claire Roberts	/	/	P	P	2 out of 2
Mark Thumpston	A	P	P	P	3 out of 4

The Finance Committee is a sub-committee of the main board of trustees.

Its purpose is to:

- Monitor, evaluate and review policy and performance in relation to financial management
- Draft the annual budget
- Monitor the site and buildings of the Trust, determining what routine improvements should be made and plan for the future expansion or enhancement of the current facilities

Attendance during the year at meetings was as follows:

P = present

A= Apologies Received

/ = not in post

CST Finance Committee							
Name	21/09/21	23/11/21	25/01/22	15/03/22	10/05/22	28/06/22	Meetings attended
Gary Fenton (FC Chair)	P	P	P	P	P	P	6 out of 6
Daniel Robinson (CST Chair)	A	P	P	A	A	A	2 out of 6
Graeme Burgess	P	P	P	P	P	P	6 out of 6
Julia McConaghy	P	P	P	P	P	P	6 out of 6
Bev Mabey	P	A	P	P	P	P	5 out of 6

Pay Committee is also a sub committee of the main Board of Trustees. Attendance during the year at meetings was as follows:

P = present

A= Apologies Received

/ = not in post

GST Pay Committee		
Name	09/11/21	Meetings attended
Dan Robinson (Chair)	P	1 out of 1
Graeme Burgess	P	1 out of 1
Lisa Evans	P	1 out of 1
Sarah-Jane Miller	P	1 out of 1

Review of value for money

As accounting officer, the Chief Executive Officer has responsibility for ensuring that the Trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The accounting officer considers how the Academy Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The accounting officer for the Academy Trust has delivered improved value for money during the year by:

- Detailed evaluation of expenditure to ensure that curriculum needs are met efficiently
- Detailed evaluation of teaching and non-teaching supply needs
- Detailed Review of timescales for essential and non-essential building works
- Close attention to income and expenditure of supplementary grants
- Immediate action to recover debt
- Introduction of new financial management software programs
- Improved analysis of monthly management accounts and subsequent action

Governance

The Trust has a strong Trust Board and management structure in place.

- Trustees are placed on the committees that best suit their professional expertise.
- Committees meet on a regular basis and feed back to Full Board Meetings.
- The Chair of the Trust, Chairs of the Local Governing Boards, Headteachers and the Chief Executive Officer are in contact on a regular basis

Budget & Controls

The Trust uses Orovia as the financial package that best suits the Trust's needs. This came into operation on 1 April 2022.

- Accountants, a Responsible Officer and financial system advisors continue in their roles.
- Comprehensive insurance policies are reviewed and put in place annually.
- Although the Trust does have preferred providers, we do check the market prices to ensure continuing good value.

The following policies are reviewed and amended, if required, at least annually:

- Purchasing Policy,
- Cash Management Policy,
- Fixed Asset Policy and an

GOVERNANCE STATEMENT
for the year ended 31 August 2022



Investment Policy (N.B. Any amendments to these policies will reflect any recommendations from the Responsible Officer, Accountants and financial system advisors).

Monthly budget monitoring takes place

Services and contract renewal checks are made to ensure continuing good service and value In 2019 we began a relationship with a procurement company E3Cube.

Better Income generation

- The Sponsorship and Publicity Lead, dedicated to researching additional funding streams and creating links with local businesses, continues to be highly successful.
- Generating additional support from a number of businesses
- The Trust's profile continues to be raised through the local press
- The pupils have benefited greatly from additional visits
- The PTA continues to be an outstanding funding resource
- In January 2017 Balsall Common Primary School entered into partnership with The Swim School to ensure high quality swim lessons and to generate additional income
- Balsall Common Primary School's Before and After School Club continues to return high levels of use and Woodies Child Care facility at Children in Damson Wood Nursery and Infant School has expanded to cater for growing pupil numbers.

Improving educational outcomes

- Annual survey questionnaire which includes staff, pupils and parents.
- Staff structure in place to provide the opportunity for pupils to raise their individual levels of attainment and progress.
- An effective SEND team to cater for requirements An effective strategy for the more able
- Excellent safeguarding procedures are in place.
- The role of Play workers continues to enhance the lunch hour experience for pupils.
- Delegated responsibility to Senior leaders to ensure that leaders and managers at all levels impact on pupil outcomes.
- A highly effective programme of teacher observations / feedback meetings enhances the performance management process which impacts on the pupils.
- Data evidence of the effectiveness of the staffing structure and systems in place Highly effective self-evaluation used to drive improvement.
- An effective CPD programme is in place to aid in staff's knowledge.
- Through the Before and After School Cubs we can offer a better early education for the children.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Central Schools Trust for the year 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The risk and control framework

The Academy Trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

A comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees

- regular reviews by the Finance Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- identification and management of risks

In order to fulfil the requirement for an Internal Scrutiny Review, the Board of Trustees carried out an internal review of several areas.

The internal auditor's role includes giving advice on financial and other matters and performing a range of checks on the academy trust's financial and other systems.

On an annual basis, the auditor and the Audit Committee report to the Board of Trustees through the Finance Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities and annually prepares a short annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

GOVERNANCE STATEMENT
for the year ended 31 August 2022



Review of effectiveness

As Accounting Officer, the Chief Executive Officer has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the internal auditors
- the work of the external auditors
- the financial management and governance self-assessment process to the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Finance Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 15 December 2022 and signed on their behalf by:

A handwritten signature in black ink, appearing to read 'S-J Miller', written over a horizontal line.

S-J Miller
Chair of Trustees

A handwritten signature in black ink, appearing to read 'G T Burgess', written over a horizontal line.

G T Burgess
Accounting Officer

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE
for the year ended 31 August 2022



As Accounting Officer of Central Schools Trust I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2021.

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academy Trust Handbook 2021.

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement, these will be notified to the Board of Trustees and ESFA.

G T Burgess
Accounting Officer
15 December 2022

STATEMENT OF TRUSTEES' RESPONSIBILITIES
for the year ended 31 August 2022



The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Academies Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 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.

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA/DfE have been applied for the purposes intended.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on 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.

Approved by order of the members of the Board of Trustees on 15 December 2022 and signed on its behalf by:

S-J Miller
Chair of Trustees

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE
MEMBERS OF CENTRAL SCHOOLS TRUST**

for the year ended 31 August 2022



Opinion

We have audited the financial statements of Central Schools Trust (the 'academy trust') for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

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 Academy Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Academy Trust'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.

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE
MEMBERS OF CENTRAL SCHOOLS TRUST**
for the year ended 31 August 2022



Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of 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 Trustees' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees (who are also the directors of the Academy Trust 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.

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE
MEMBERS OF CENTRAL SCHOOLS TRUST**
for the year ended 31 August 2022



In preparing the financial statements, the Trustees are responsible for assessing the Academy Trust'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 Academy Trust 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.

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:

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 senior statutory auditor 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 company through discussions with directors and other management, and from our commercial knowledge and experience of the Academy 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 company, including the financial reporting legislation, Companies Act 2006, taxation legislation, anti-bribery, employment, and 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 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;

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE
MEMBERS OF CENTRAL SCHOOLS TRUST**
for the year ended 31 August 2022



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 set out in Note 2 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;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the company's legal advisors;

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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.

Use of our report

This report is made solely to the Academy Trust'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 Academy Trust'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 Academy Trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Dains Audit Limited

Andrew Morris FCA (Senior Statutory Auditor)
for and on behalf of
Dains Audit Limited
Chartered Accountants
Birmingham
Date: 15 December 2022

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY
TO CENTRAL SCHOOLS TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY**
for the year ended 31 August 2022



In accordance with the terms of our engagement letter dated 31 October 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Central Schools Trust during the year 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Central Schools Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Central Schools Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Central Schools Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Central Schools Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Central Schools Trust's funding agreement with the Secretary of State for Education dated 28 July 2016 and the Academy Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2021 to 2022. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2021 to 31 August 2022 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the Academy Trust's income and expenditure.

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY
TO CENTRAL SCHOOLS TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY
for the year ended 31 August 2022**



Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Dains Audit Limited

Dains Audit Limited
Chartered Accountants
Date: 15 December 2022

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
for the Year Ended 31 August 2022



		Unrestricted Funds	Restricted Funds	Fixed Asset Funds	Total 2022	Total 2021
	Note	£	£	£	£	£
Income and endowments from:						
Donations and capital grants	3	101,945	-	434,938	536,883	5,462
Charitable activities:						
Funding for the academy trust's educational operations	4	59,386	4,463,283	-	4,522,669	4,053,461
Other trading activities	5	309,443	-	-	309,443	173,615
Investments	6	60	-	-	60	66
Total		470,835	4,463,283	434,938	5,369,056	4,232,604
Expenditure on:						
Raising funds	7	241,048	-	-	241,048	179,253
Charitable activities:						
Academy trust educational operations	8	-	4,958,629	278,778	5,237,407	4,721,673
Total		241,048	4,958,629	278,778	5,478,455	4,900,926
Net income / (expenditure)		229,787	(495,346)	156,160	(109,399)	(668,322)
Transfers between funds	19	(140,096)	129,346	10,750	-	-
Other recognised gains / (losses):						
Actuarial gains/(losses) on defined benefit pension schemes	18,29	-	2,934,000	-	2,934,000	(257,000)
Net movement in funds		89,691	2,568,000	166,910	2,824,601	(925,322)
Reconciliation of funds						
Total funds brought forward		(114,163)	(3,247,000)	10,458,746	7,097,583	8,022,905
Total funds carried forward		(24,472)	(679,000)	10,625,656	9,922,184	7,097,583

The notes on pages 33 to 58 form part of these financial statements.

BALANCE SHEET
As at 31 August 2022



	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible assets	13		10,235,573		10,470,591
Current assets					
Stock	14	2,961		3,438	
Debtors	15	492,570		272,682	
Cash at bank and in hand		600,948		479,633	
		<u>1,096,479</u>		<u>755,753</u>	
Liabilities					
Creditors: Amounts falling due within one year	16	(656,440)		(805,179)	
Net current assets			<u>440,039</u>		<u>(49,426)</u>
Total assets less current liabilities			10,675,612		10,421,165
Creditors: Amounts falling due after more than one year	17		(74,428)		(76,582)
Net assets excluding pension liability			<u>10,601,184</u>		<u>10,344,583</u>
Defined benefit pension scheme liability	28		(679,000)		(3,247,000)
Total assets			<u>9,922,184</u>		<u>7,097,583</u>
Funds of the academy trust:					
Restricted funds					
Fixed asset fund	18	10,625,656		10,458,746	
Restricted income fund	18				
Pension reserve	18	(679,000)		(3,247,000)	
Total restricted funds			9,946,656		7,211,746
Unrestricted income funds	18		(24,472)		(114,163)
Total funds			<u>9,922,184</u>		<u>7,097,583</u>

The financial statements on pages 30 to 58 were approved by the Trustees, and authorised for issue on 15 December 2022 and signed on their behalf by:

S-J Miller
Chair of Trustees

STATEMENT OF CASH FLOWS
For the Year Ended 31 August 2022



	Notes	2022 £	2021 £
Cash flows from operating activities			
Net cash provided by (used in) operating activities	22	(267,768)	1,030,731
Cash flows from investing activities	24	391,238	(939,291)
Cash flows from financing activities	23	(2,155)	-
Change in cash and cash equivalents in the reporting period		121,315	91,440
Cash and cash equivalents at the beginning of the year		479,633	388,193
Cash and cash equivalents at the end of the year	25	600,948	479,633

The notes on pages 33 to 58 form part of these financial statements.

1. General information

Central Schools Trust is a company limited by guarantee incorporated in England and Wales. The registered number of the company is 08148546 and its registered office is Balsall Common East, Balsall Common, Coventry, CV7 7FS.

2. Accounting Policies

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgments and key sources of estimation uncertainty, is set out below.

2.1 Basis of preparation of financial statements

The financial statements of the Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the 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) (Charities SORP (FRS 102)), the Academies Accounts Direction 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

2.2 Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements. They have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

The Trustees have prepared cashflow forecasts, on a best and worst case scenario, through to December 2023. These forecasts demonstrate the Trust is expected to continue to be able to meet its liabilities as they fall due for a period of at least one year from the date of approval of these financial statements. Trustees will continue to monitor and update the cashflow forecasts regularly.

2. Accounting Policies (Continued)

2.3 Income

All incoming resources are recognised when the Trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

- **Grants**

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of meeting any performance related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance related conditions are met. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the statement of financial activities in the year for which it is receivable and any abatement in respect of the year is deducted from income and recognised as a liability.

Capital grants are recognised in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the balance sheet in the restricted fixed asset fund. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

- **Sponsorship income**

Sponsorship income provided to the Trust which amounts to a donation is recognised in the statement of financial activities in the year in which it is receivable (where there are no performance related conditions) where receipt is probable and it can be measured reliably.

- **Donations**

Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.

- **Other income**

Other income, including the hire of facilities, is recognised in the year it is receivable and to the extent the Trust has provided the goods or services.

- **Donated fixed assets (excluding transfers on conversion or into the Academy Trust)**

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor is used. The gain is recognised as 'Income from Donations and Capital Grants' and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Trust's accounting policies.

2. Accounting Policies (Continued)

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party. 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

- **Expenditure on raising funds**

This includes all expenditure incurred by the Trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

- **Charitable activities**

These are costs incurred on the Trust's educational operations, including support costs and costs relating to the governance of the Trust apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

2.5 Tangible fixed assets

Assets costing £500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the statement of financial activities and carried forward in the balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Leasehold property	2% straight line
Leasehold improvements	2% to 10% straight line
Furniture and fittings	20% straight line
Computer equipment	25% straight line

2. Accounting Policies (Continued)

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairment losses in the statement of financial activities.

2.6 Stocks

Unsold uniforms are valued at the lower of cost and net realisable value.

2.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.8 Cash at bank and in hand

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

2.9 Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event. It is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

2.10 Provisions

Provisions are recognised when the Trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

2.11 Taxation

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2. Accounting Policies (Continued)

2.12 Financial instruments

The Academy Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Academy Trust and their measurement bases are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments.

Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 16 and 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

2.13 Operating leases

Rentals paid under operating leases are charged to the statement of financial activities on a straight line basis over the lease term.

2.14 Pensions

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

2. Accounting Policies (Continued)

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

2.15 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the Trust at the discretion of the Trustees.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Department for Education Group.

2.16 Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

The Academy Trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

2. Accounting Policies (Continued)

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 28, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

Tangible fixed assets are depreciated over the useful lives taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors.

3. Donations and capital grants

	Unrestricted Funds	Restricted Funds	Restricted Fixed Asset Funds	Total 2022	Total 2021
	£	£	£	£	
Capital Grants	-	-	434,938	434,938	(98,535)
Donated assets	-	-	-	-	7,540
Donations	11,500	-	-	11,500	31,470
Parental Donations for pupil activities	90,445	-	-	90,445	64,987
	<u>101,945</u>	<u>-</u>	<u>434,938</u>	<u>536,883</u>	<u>5,462</u>
 2021	 85,771		 (80,309)	 5,462	

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2022



4. Funding for the Academy Trust's Educational Operations

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
DfE / EFA grants				
General Annual Grant (GAG)	-	3,281,032	3,281,032	2,933,286
Pupil Premium	-	170,452	170,452	144,260
Teacher Pay & Pension	-	19,653	19,653	156,947
Rates	-	10,148	10,148	12,953
UIFSM	-	165,522	165,522	143,481
PE Sports	-	38,310	38,310	38,330
Other DfE/EFA grants	-	99,382	99,382	-
	-	3,784,499	3,784,499	3,429,257
Other Government grants				
Special Needs Funding	-	85,219	85,219	67,061
Nursery Funding	-	371,682	371,682	260,500
Other Funding	-	49,317	49,317	109,415
	-	506,218	506,218	436,976
Other income from the academy trust's educational operations	59,386	152,779	212,165	101,770
COVID-19 additional funding (DfE/ESFA)				
Catch-up premium	-	6,773	6,773	61,330
Exceptional government funding				
Coronavirus Job Retention Scheme	-	-	-	3,678
Other COVID-19 funding	-	13,014	13,014	20,450
	59,386	4,463,283	4,522,669	4,053,461
2021	50,478	4,002,983	4,053,461	

The academy trust received £6,773 of funding for catch-up premium and costs incurred in respect of this funding totalled £6,773

The academy trust received £13,014 of funding for other COVID-19 support and costs incurred in respect of this funding totalled £13,014

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2022



5. Income from Other Trading Activities

	Unrestricted Funds £	Restricted Funds £	2022 £	2021 £
Hire of facilities	74,633	-	74,633	12,262
Before and after school clubs	188,071	-	188,071	139,349
PGCE and other income	520	-	520	3,128
Swimming pool income	46,219	-	46,219	18,876
	<u>309,443</u>	<u>-</u>	<u>309,443</u>	<u>173,615</u>
2021	173,615	-	173,615	

6. Investment Income

	Unrestricted Funds £	Restricted Funds £	2022 £	2021 £
Short term deposits	60	-	60	66
	<u>60</u>	<u>-</u>	<u>60</u>	<u>66</u>
2021	66		66	

7. Expenditure

	Staff Costs £	Premises £	Other £	Total 2022 £	Total 2021 £
Expenditure on raising voluntary income:					
Direct costs	149,431	-	91,617	241,048	179,253
Expenditure on raising funds					
Academy's educational operations:					
Direct costs	3,538,837	244,300	120,851	3,903,987	3,582,033
Allocated support costs	505,558	278,564	549,298	1,333,420	1,139,640
	<u>4,193,826</u>	<u>522,863</u>	<u>761,766</u>	<u>5,478,455</u>	<u>4,900,926</u>
2021	3,719,531	458,393	723,002	4,900,926	

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2022



Net income/(expenditure) for the period:

	2022	2021
	£	£
Operating lease rentals	6,562	9,801
Depreciation	278,777	251,964
Fees payable to auditor for:		
- audit	9,700	9,700
- other services	1,900	1,850

8. Charitable Activities – Academy Trust's Educational Operations

	Total 2022 £	Total 2021
Direct costs – educational operations	3,903,987	3,582,033
Support costs – educational operations	1,333,420	1,139,640
	<u>5,237,407</u>	<u>4,721,673</u>

Analysis of Support Costs

	Educational operations £	Total 2022 £	Total 2021 £
Staff Costs	505,558	505,558	390,459
Depreciation	34,478	34,478	15,935
Catering	228,962	228,962	234,443
Staff development	-	-	1,449
Technology costs	39,496	39,496	38,108
Other Support costs	205,990	205,990	46,772
Maintenance of premises	96,587	96,587	63,302
Cleaning	94,090	94,090	74,463
Operating lease rentals	6,562	6,562	9,801
Rates	7,556	7,556	13,269
Security	6,806	6,806	6,557
Energy	51,707	51,707	48,456
Legal and professional	29,666	29,666	91,497
Transport	-	-	91
Other Premises costs	21,817	21,817	37,954
Governance costs	4,145	4,145	67,084
Total Support Costs	<u>1,333,420</u>	<u>1,333,420</u>	<u>1,139,640</u>

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2022



Analysis of Direct costs

	2022	2021
	£	£
LGPS Finance Cost	56,000	42,000
Staff Costs	3,482,837	3,174,559
Depreciation	244,300	236,029
Educational Supplies	82,933	82,440
Staff Development and other staff costs	4,930	12,363
Technology Costs	13,150	8,369
Other Costs	-	1,236
Staff related insurance	19,153	22,940
Reprographics costs	684	2,097
Total Direct costs	3,903,987	3,582,033

9. Staff

a. Staff Costs

	Total 2022	Total 2021
	£	
Wages and salaries	2,777,118	2,641,563
Social security costs	254,271	232,697
Operating costs of defined benefit pension schemes	1,008,760	789,913
	4,040,149	3,664,173
Supply staff costs	153,677	55,358
	4,193,826	3,719,531

b. Staff numbers

The average number of persons employed by the Academy Trust during the period was as follows:

	2022	2021
	No.	No.
Teachers	45	46
Administration and support	88	89
Management	7	7
	140	142

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2022



c. Higher paid staff

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2022	2021
	No.	No.
£60,001 - £70,000	0	1
£70,001 - £80,000	1	0
£100,000 - £110,000	1	1

d. Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £670,393 (2021 £568,486).

10. Central Services

The Academy Trust has provided the following central finance services to its academies during the year:

In the year, the Trust began to charge for the provision of central services. This was calculated using the budgeted cost of central staff ie. the CFO, CEO ect. The Trust charges for these services on the basis of pupil numbers. However, consideration is given to the financial position of the schools. As a result, Damson Wood Infant School Academy is currently not charged, as it is currently in deficit.

The actual amounts charged during the year were as follows:

	2022	2021
	£	£
Balsall Common Primary School Academy	481,000	-
Damson Wood Infant School Academy	-	-
Total	481,000	-

11. Related Party Transactions – Trustees' Remuneration and Expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

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Remuneration £105K – £110K (2021: £105K – £110K)

Employer's pension contributions paid £25K - £30K (2021: £25K – £30K)

During the year ended 31 August 2022, no Trustee expenses have been incurred (2021: £NIL)

12. Trustees' and Officers' Insurance

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to: £5,000,000 on any one claim. The cost for the period ended 31 August 2022 was £20,466 (2021: £18,579)

13. Tangible fixed assets

	Leasehold Property	Leasehold Improvements	Fittings & Equipment	Computer Equipment	Total
	£	£	£	£	£
Cost					
At 1 September 2021	10,209,263	1,635,005	182,602	161,122	12,187,992
Additions	-	35,593	8,168	-	43,760
At 31 August 2022	10,209,263	1,670,598	190,770	161,122	12,231,752
Depreciation					
At 1 September 2021	1,174,416	257,977	167,631	117,377	1,717,401
Charged in year	141,359	102,941	9,186	25,292	278,778
At 31 August 2022	1,315,775	360,918	176,817	142,669	1,996,179
Net book values					
At 31 August 2022	8,893,488	1,309,679	13,953	18,453	10,235,573
At 31 August 2021	9,034,847	1,377,028	14,971	43,745	10,470,591

14. Stock

	2022	2021
	£	£
Goods for resale	2,961	3,438
	2,961	3,438

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2022



15. Debtors

	2022	2021
	£	£
Trade debtors	17,152	6,016
VAT recoverable	53,359	70,436
Other debtors	7,184	7,684
Prepayments and accrued income	414,875	188,546
	<u>492,570</u>	<u>272,682</u>

16. Creditors: Amounts Falling due within one year

	2022	2021
	£	£
Trade creditors	350,958	529,139
Other taxation and social security	59,373	55,759
Salix Loans	6,420	6,420
Other creditors	66,518	65,858
Accruals and deferred income	173,171	148,003
	<u>656,440</u>	<u>805,179</u>

Deferred income

	2022	2021
	£	£
Deferred income at 1 September 2021	99,098	90,031
Released from previous years	(99,098)	(90,031)
Resources deferred in the year	95,458	99,098
Deferred Income at 31 August 2022	<u>95,458</u>	<u>99,098</u>

Deferred income includes an amount relating to the 2022/23 Universal Infant Free School Meals grant and music tuition income received in advance of the 2022/23 academic year.

17. Creditors: Amounts Falling due in greater than one year

	2022	2021
	£	£
Salix Loan	74,428	76,582
	<u>74,428</u>	<u>76,582</u>

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	2022	2021
	£	£
Payable or repayable by instalments	28,156	33,437

Included within creditors is a Salix loan of £80,848 (2021: £83,002) in relation to the DfE's Capital Investment Fund. This loan is interest free and repayable over 8 years.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2022



18. Funds – Current Year

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2022 £
Restricted general funds					
General Annual Grant (GAG)	-	3,281,032	(3,410,378)	129,346	-
Other DFE / ESFA grants	-	352,801	(352,801)	-	-
Pupil Premium	-	170,452	(170,452)	-	-
Other grants	-	506,219	(506,219)	-	-
Catering	-	84,340	(84,340)	-	-
Other income	-	68,439	(68,439)	-	-
Pension reserve	(3,247,000)	-	(366,000)	2,934,000	(679,000)
	(3,247,000)	4,463,283	(4,958,629)	3,063,346	(679,000)
Restricted fixed asset funds					
Gift from LA	8,942,493	-	-	-	8,942,493
Capital Donation & donated assets	21,778	-	-	-	21,778
Capital maintenance grants and CIF	933,416	434,938	(278,778)	-	1,089,576
Capital expenditure from GAG	561,059	-	-	10,750	571,809
	10,458,746	434,938	(278,778)	10,750	10,625,656
Total restricted funds	7,211,746	4,898,221	(5,237,407)	3,074,096	9,946,656
Total unrestricted funds	(114,163)	470,835	(241,048)	(140,096)	(24,472)
Total funds	7,097,583	5,369,056	(5,478,455)	2,934,000	9,922,184

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2022



The specific purposes for which the funds are to be applied are as follows:

Restricted general funds

This fund represents grants and other income received for the Trust's operational activities and development

Pension Reserve

The pension reserve included within restricted general funds represents the Trust's share of the pension liability arising on the LGPS pension fund.

Restricted fixed asset funds

This fund represents grants received from the DfE, ESFA, and other funders to carry out works of a capital nature.

Transfers

Transfers between funds represent the use of general funds to support educational operations and capital purchases in the year.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2022.

In the year ended 31 August 2022, the trust was awarded a further CIF bid, of which the contribution is £23k. Payment of this will be made in the financial year ended 31 August 2023.

School Deficit

Damson Wood joined CST in 2016 as a sponsored school due to an inadequate Ofsted inspection. This inspection had also resulted in a gradual loss of pupils and income. In 2019, a successful good Ofsted inspection was received and a resulting growth in pupil numbers.

As the funding for the school is on a lagged basis, the costs of additional staffing and resources for the additional pupils has had to be incurred by the trust without the matching income. The result of this as the school population grows is in year deficits. In 2021-22 the lagged funding was more than £100k.

The trustees are confident that once the school returns to a higher stable pupil number, and income is received for every pupil in school, the budget for the school will return to a positive position.

In response to the central services now being in deficit, the Trust will reconsider its approach to charging contributions from academies, in order to ensure that sufficient income is received to cover central expenditure and to return the central services to a surplus position.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2022



Funds – Previous Year

	Balance at 1 September 2020	Income	Expenditure	Gains, losses and transfers	Balance at 31 August 2021
	£	£	£	£	£
Restricted general funds					
General Annual Grant (GAG)	-	2,933,286	(3,111,685)	178,399	-
Other DFE / ESFA grants	-	351,711	(351,711)	-	-
Pupil Premium	-	144,260	(144,260)	-	-
Catch-up premium	-	61,330	(61,330)	-	-
Catering Income	-	54,970	(54,970)	-	-
Other grants	-	457,426	(457,426)	-	-
Pension reserve	(2,733,000)	-	(257,000)	(257,000)	(3,247,000)
	(2,733,000)	4,002,983	(4,438,382)	(78,601)	(3,247,000)
Restricted fixed asset funds					
Gift from local authority	8,959,190	-	(139,212)	122,515	8,942,493
Capital donations and donated assets	8,424	18,226	(4,872)	-	21,778
Capital grants and capital expenditures from GAG	362,596	(98,535)	(69,295)	366,293	561,059
Capital maintenance grants and CIF	1,406,752	-	(38,585)	(434,751)	933,416
	10,736,962	(80,309)	(251,964)	54,057	10,458,746
Total restricted funds	8,003,962	3,922,674	(4,690,346)	(24,544)	7,211,746
Total unrestricted funds	18,943	309,930	(210,580)	(232,456)	(114,163)
Total funds	8,022,905	4,232,604	(4,900,926)	(257,000)	7,097,583

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2022



18. Funds

Analysis of Academies by fund balance

Fund balances at 31 August 2022 were allocated as follows:

	Total 2022 £	Total 2021 £
Balsall Common Primary School	202,889	(2,665)
Damson Wood Nursery and Infant School	(187,107)	(111,514)
Central services	(40,254)	16
Total before fixed assets and pension reserve	(24,472)	(114,163)
Restricted fixed asset fund	10,625,656	10,458,746
Pension reserve	(679,000)	(3,247,000)
Total	9,922,184	7,097,583

Analysis of Academies by cost

	Teaching and Educational Support Staff Costs £	Other Support Staff Costs £	Educational Supplies £	Other Costs (excluding Depreciation) £	Total 2022 £	Total 2021 £
Balsall Common Primary School	2,627,136	585,360	35,990	630,620	3,879,106	3,603,568
Damson Wood Nursery and Infant School	758,025	223,305	9,588	199,997	1,190,915	1,045,358
Central services	-	-	22	129,634	129,656	36
Academy Trust	3,385,161	808,665	45,600	960,251	5,199,677	4,648,962

Depreciation 278,778
5,478,455

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2022



19. Analysis of Net Assets between Funds

Fund balances at 31 August 2022 are represented by:

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total Funds
Tangible fixed assets	-	-	10,235,573	10,235,573
Current assets	(24,472)	730,868	390,083	1,096,479
Current liabilities	-	(656,440)	-	(656,440)
Non-current liabilities	-	(74,428)	-	(74,428)
Pension scheme liability	-	(679,000)	-	(679,000)
Total net assets	(24,472)	(679,000)	10,625,656	9,922,184

Fund balances at 31 August 2021 are represented by

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total Funds
Intangible fixed assets	-	-	-	-
Tangible fixed assets	-	-	10,470,591	10,470,591
Current assets	(114,163)	673,416	196,500	755,753
Net Pension Interest Cost	-	-	-	-
Current liabilities	-	(673,416)	(131,763)	(805,179)
Non-current liabilities	-	-	(76,582)	(76,582)
Pension scheme liability	-	(3,247,000)	-	(3,247,000)
Total net assets	(114,163)	(3,247,000)	10,458,746	7,097,583

20. Analysis of changes in net debt

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash at bank and in hand	479,633	121,315	600,948
Debt due within 1 year	(6,420)	-	(6,420)
Debt due after 1 year	(76,582)	2,154	(74,428)
	396,631	123,469	520,100

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2022



21. Commitments under operating leases

Operating Leases

At 31 August 2022 the total of the Academy's future minimum lease payments under non-cancellable operating leases was:

	2022	2021
	£	£
Amounts due within one year	16,657	5,890
Amounts due between one and five years	54,760	2,028
	71,417	7,918

22. Reconciliation of Net Income/(expenditure) to Net Cash Flow from Operating Activities

	2022	2021
	£	£
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(109,399)	(668,322)
Adjusted for:		
Depreciation charges (note 13)	278,777	251,964
Capital grants from DfE and other capital income	(434,938)	70,536
Interest receivable (note 6)	(60)	(66)
Defined benefit pension scheme cost less contributions payable (note 28)	310,000	257,000
Defined benefit pension scheme finance cost (note 28)	56,000	-
(Increase)/decrease in stocks	477	1,683
(Increase)/decrease in debtors	(219,887)	764,025
Increase/(decrease) in creditors	(148,738)	353,911
Net cash (used in) / provided by Operating Activities	(267,768)	1,030,731

23. Cash Flows from Financing Activities

	2022	2021
	£	£
Net Pension Interest Cost		
Repayments of borrowing	(2,155)	-
Net cash (used in) / provided by financing activities	(2,155)	-

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2022



24. Cash Flows from Investing Activities

	2022	2021
Dividends, interest and rents from investments	60	66
Purchase of tangible fixed assets	(43,760)	(868,821)
Capital grants from DfE/EFA	434,938	(88,762)
Capital funding received from sponsors and others	-	18,226
Net cash provided by / (used in) investing activities	391,238	(939,291)

25. Analysis of cash and cash equivalents

	2022	2021
	£	£
Cash in hand and at bank	600,948	479,633
Total cash and cash equivalents	600,948	479,633

26. Members' Liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while they are a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding: £10 for the debts and liabilities contracted before they cease to be a member.

27. Contingent Liabilities

A contingent liability exists relating to the recent Harpur vs Brazel Supreme Court Case. It is currently uncertain as to whether this ruling will impact some of the Trust's term-time-only staff. The ruling may mean that some staff may be entitled to backdated holiday pay due to a difference in calculation methodologies. At this stage, it is not possible to estimate the financial impact of this ruling on the Trust.

28. Pension and Similar Obligations

The Academy Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by West Midlands Pension Fund. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2019.

28. Pension and Similar Obligations (Continued)

Contributions amounting to £67,160 were payable to the schemes at 31 August 2022 (2021 - £65,846) and are included within creditors.

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every four years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI, assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to TPS in the year amounted to £406,000 (2021 - £403,000).

28. Pension and Similar Obligations (Continued)

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Academy Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy Trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £271,000 (2021 - £268,000), of which employer's contributions totalled £221,000 (2021 - £219,000) and employees' contributions totalled £50,000 (2021 - £49,000). The agreed contribution rates for future years are 21.7 per cent for employers and 5.5 - 12.5 per cent for employees.

As described in note 26 the LGPS obligation relates to the employees of the Academy Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy Trust at the balance sheet date.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

Principal actuarial assumptions

	2022	2021
	%	%
Rate of increase in salaries	4.05	3.90
Rate of increase for pensions in payments / inflation	3.05	2.90
Discount rate for scheme liabilities	4.25	1.65

28. Pension and Similar Obligations (Continued)

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

	2022 Years	2021 Years
Retiring today		
Males	21.2	21.6
Females	23.6	24.0
Retiring in 20 years		
Males	22.9	23.4
Females	25.4	25.8

Sensitivity analysis

	2022 £000	2021 £000
Discount rate +0.1%	(92)	(164)
Discount rate -0.1%	92	168
Mortality assumption - 1 year increase	165	282
Mortality assumption - 1 year decrease	(165)	(270)
CPI rate +0.1%	82	153
CPI rate -0.1%	(82)	(149)

Share of scheme assets

The Academy Trust's share of the assets in the scheme was:

	2022 £	2021 £
Equities	2,318,000	2,489,000
Government and other bonds	726,000	479,000
Property	277,000	233,000
Cash and other liquid assets	138,000	123,000
Total market value of assets	3,459,000	3,324,000

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2022



28. Pension and Similar Obligations (Continued)

The amounts recognised in the Statement of financial activities are as follows:

	2022 £	2021 £
Current service cost	(531,000)	(434,000)
Interest income	57,000	44,000
Interest cost	(113,000)	(86,000)
Total amount recognised in the Statement of financial activities	(587,000)	(476,000)

Changes in the present value of the defined benefit obligations were as follows

	2022 £	2021 £
At 1 September	6,571,000	5,384,000
Current service cost	531,000	434,000
Interest cost	113,000	86,000
Employee contributions	50,000	49,000
Actuarial losses	(3,097,000)	696,000
Benefits paid net of transfers in	(30,000)	(78,000)
At 31 August	4,138,000	6,571,000

Changes in the fair value of the Academy Trust's share of scheme assets were as follows:

	2022 £	2021 £
At 1 September	3,324,000	2,651,000
Interest income	57,000	44,000
Actuarial gains	(163,000)	439,000
Employer contributions	221,000	219,000
Employee contributions	50,000	49,000
Benefits paid	(30,000)	(78,000)
At 31 August	3,459,000	3,324,000

29. Related Party Transactions

Owing to the nature of the academy trust's operations and the composition of the board of trustees being drawn from the local public and private sector organisations, transactions may take place with organisations in which the trust has an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH, including notifying the ESFA of all transactions made on or after 1 April 2020 and obtaining their approval where required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions. The following related party transactions took place in the financial period:

The academy trust employed Mrs J Burgess at a cost of £12,195 (2021: £8,828) close family member of Mr G T Burgess (Trustee, CEO and Accounting Officer of Central Schools Trust). She received remuneration commensurate with that of other employees holding the same position in the academy trust.

The academy trust employed Mr C McNally at a cost of £11,683 (2021: £11,728) close family member of Mr G T Burgess (Trustee, CEO and Accounting Officer of Central Schools Trust). He received remuneration commensurate with that of other employees holding the same position in the academy trust.

The academy trust employed Miss C Burgess at a cost of £9,200 (2021: £25,714) close family member of Mr G T Burgess (Trustee, CEO and Accounting Officer of Central Schools Trust). She received remuneration commensurate with that of other employees holding the same position in the academy trust.

The academy trust employed Ms C Hopkins at a cost of £25,714 (2021: £nil) close family member of Mr G T Burgess (Trustee, CEO and Accounting Officer of Central Schools Trust). She received remuneration commensurate with that of other employees holding the same position in the academy trust.

Mr G T Burgess did not partake in the decision making process regarding their appointment, their remuneration or their performance management.