

REGISTERED COMPANY NUMBER: 07746561 (England and Wales)

**Report of the Trustees and
Financial Statements for the Year Ended 31st August 2022
for
City Learning Trust**

Hardings
Chartered Accountants & Statutory Auditor
6 Marsh Parade
Newcastle-under-Lyme
Staffordshire
ST5 1DU

City Learning Trust

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for the Year Ended 31st August 2022**

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City Learning Trust

Reference and Administrative Details for the Year Ended 31st August 2022

Members	Mr G Singh-Kallar Mrs J Walley Mr P Coates Mr D Johnson Mr D Thorley Mr N Gilson (resigned 9.12.21) Mr M Chadwick (resigned 30.9.21)
Trustees (Directors)	Mrs M Sproston (Chair) Mr D Johnson (Vice- Chair) Mr N Dawson Mr B Dyer (resigned 6.1.22) Mr D Gooda Mr S Hawker Mr C Ward (Chief Executive Officer and Accounting Officer) Mr I Hookway (appointed 25.4.22)

Key Management Personnel

Mr C S Ward	Chief Executive Officer
Miss S Hughes	Chief Financial Officer
Mrs S Bates	Executive Director
Ms A Mills	Principal
Mrs T Steele	Principal
Mr M Whittingham	Headteacher
Mr M Dawes	Principal

Company Name	City Learning Trust
Registered Office	Haywood Academy High Lane Stoke on Trent Staffordshire ST6 7AB
Company Secretary	Mrs Sandra White
Accounting Officer	Mr C S Ward
Company Registration Number	07746561 (England and Wales)
Auditors	Hardings Chartered Accountants & Statutory Auditor 6 Marsh Parade Newcastle-under-Lyme Staffordshire ST5 1DU
Bankers	Cooperative Bank PLC 1 Balloon Street Manchester M60 4EP Lloyds Bank Fountain Square Hanley Stoke-on-Trent ST1 1LE

City Learning Trust

**Reference and Administrative Details
for the Year Ended 31st August 2022**

Solicitors

Browne Jacobson
Mowbray House
Castle Meadow Road
Nottingham
NG2 1BJ

**Report of the Trustees
for the Year Ended 31st August 2022**

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1st September 2021 to 31st August 2022. The Annual report serves the purposes of both a Trustees' report and a Directors' report under company law.

The City Learning Trust (CLT) previously known as Haywood Academy, made the transition from a single academy to a Cooperative Multi-Academy Trust with the addition of Smallthorne Primary Academy in January 2017. The Trust is now a four academy MAT comprising of two secondary academies (as at the October 2021 census) Haywood Academy and Sixth Form - City College (1121 pupils on roll), Trentham Academy (722 pupils on roll) and two primary academies, Smallthorne Academy (229 pupils on roll) and Mill Hill Academy (453 pupils on roll) which serve pupils aged from 3-18 across the City of Stoke on Trent.

Objectives and activities

Objectives and aims

The mission of the City Learning Trust is to create a world class education system for the communities we serve.

The vision is to be one of the United Kingdom's leading multi academy trusts, providing the best opportunities for children and young people to develop their knowledge, skills and character so that they get the best start in life.

The Trust is guided by the following values:

- Ambition: Our academies aim to unlock the potential for all learners to achieve their dreams, hopes and aspirations.
- Cooperation: We value working together in teams, supporting each other, and sharing expertise and accountability to improve standards.
- Commitment: Our academies are a family of schools with a common bond, dedicated to the communities that they serve.
- Creativity: We encourage innovation and the use of imagination and original ideas in all our schools.
- Leadership: We believe in listening to, inspiring and empowering our learning communities so that they can achieve their true potential.
- Respect: We value all people and organisations abilities', qualities and achievements, and operate using the principles of equality, equity and solidarity.

The Trust's purpose is to support schools to move to become Outstanding and ensure the rapid improvement of those schools that need support. Through cooperation and collaboration, we will develop sustainable partnerships that will provide a legacy for tomorrow's generation. This will enable our member academies to become greater than the sum total of their parts with a fully federated approach to school leadership and operation.

The Trust is a registered academy sponsor and will act as the lead sponsor for any school which is directed to become a sponsored academy in the Trust by the Department for Education.

The Trust is committed to ensuring that all children in our academies receive excellent teaching and make progress. High quality professional development for teachers and school leaders is a key component of our approach and the Trust has developed a bespoke CPD offer to ensure that all of our staff have the time and resource available to them to be the best they can be for the children we serve.

**Report of the Trustees
for the Year Ended 31st August 2022**

To support this, the City Learning Trust has six main aims:

1. The skills and qualifications of our pupils and students will enable them to flourish in whatever vocational or academic setting they can succeed in.
2. We will ensure our children are literate and numerate as well as developing key skills of resilience, resourcefulness, enterprise, technological literacy and adaptability.
3. We will take care of our most vulnerable students and the City Learning Trust will have an exceptional programme of support for those students who need it.
4. We will develop partnerships with great schools locally, nationally and internationally to develop educational practice that connects learners worldwide.
5. Enrichment through partnership will be an intrinsic facet to the world class education that we offer to ensure that all of our young people are able to compete in the global economy that awaits them; contributing positively, economically, socially and ethically.
6. We will develop great leaders and team workers who understand the value of cooperation and play a proactive role in public life.

Leadership and Governance

Strategic Leadership:

The Trust delivers system leadership through providing and developing strong and capable leaders who will work beyond their own school to support other schools. All our staff are provided with the opportunity to develop their roles within the organisation to enable them to excel, provide outstanding education and deliver impressive outcomes for our children and young people. The Trust seeks to build trust and respect across all stakeholders involved in our academies

The principles by which we will manage our operations:

- Embed an effective, clear and supportive governance framework
- Provide a simple and efficient central organisation to provide maximum leadership support directly to schools
- Deliver transparent systems to build trust, accountability and drive improvement
- Ensure efficient, low cost control of our resources to achieve economies, efficiencies and effectiveness across our operations

Earned Autonomy

The Trust Board ethos is that best results will be achieved when each school's Local Governing Committee receives a level of responsibility and autonomy appropriate to its specific circumstances.

When a school is graded as "Good" or "Outstanding", the level of support through day-to-day supervision by the Trust will be limited to those areas of agreed need and improvement. It would be expected that the LGC will operate with maximum autonomy applied through the Trust's scheme of Local Governing Committee delegation.

It will be a requirement that schools graded in an Ofsted category will be subject to close supervision of all aspects of governance, leadership and curriculum delivery through the Trust's Central Support Team. The LGC will have restricted delegated powers. It would be normal practice for members to be appointed by the Trust Board but this would be judged on its individual merits.

**Report of the Trustees
for the Year Ended 31st August 2022**

Objectives and activities

Objectives, Strategies and Activities

The Trust's objective is to advance, for the public benefit, education across the communities it serves. The Trust achieves this by establishing, maintaining, managing and developing schools which offer a broad and balanced curriculum to their pupils.

The Trust continues to work towards delivering a world-class education for the young people it serves. During the onset of the pandemic, the City Learning Trust developed and delivered a remote digital curriculum to cater for the needs of its young people whilst also retaining the care and guidance common in all of our Academies to the children who were unable to attend school.

The Trust continues to work towards delivering a world-class education for the young people it serves. The City Learning Trust has clear strategic objectives derived from our mission and values. Our long term strategic plan sets out the following strategic objectives to ensure that, as a Trust, all stakeholder groups understand and have belief in our approach.

The objectives we have followed during the last year (and will inform future progress) are:

1. World class education for the children and young people we serve

Thorough application and review of the education and improvement strategy will inform the appropriate engagement with both internal and external support bodies.

Character education will be dovetailed into the curriculum offer for all learners in line with the further development of the professional growth package to ensure all staff have the knowledge and pedagogical skill to deliver effectively.

2. Staff development opportunities that mean we develop great staff and we attract great staff

The Trust will continue to refine and develop its programme of professional development for all our colleagues. This will ensure that we have the right skills and expertise to further raise standards, deliver consistently good leadership, teaching and learning in high quality and innovative facilities, developed through best value principles.

3. Development of strategic partnerships to enrich the offer for our community

The Trust will be proactive in initiating and securing a range of productive and effective strategic partnerships to ensure that both immediate CLT community and the City benefit from the resource that we attract.

4. Development of leadership at all levels to secure succession planning

Through the Building Talent element of the Professional Growth package, innovative and dynamic learning will be delivered, across all levels and all stakeholders. This package will be fully inclusive and representative of our academy communities.

5. Outstanding resource management to advance objectives of the Trust

Resources management will increase in breadth with increase in reserve position to ensure the best return on the funding available. In addition to growing reserves, contingencies and capital allocations, successful funding applications, investments and donations will support the realisation of the estate management strategy.

The Trust has provided school improvement support; CPD opportunities for all staff across all schools; an effective campus leadership team to drive CLT strategy and performance and facilitated a central team to support member academies. The Trust is a mature organisation with a strong foundation for success and confidently looks forward to further success.

**Report of the Trustees
for the Year Ended 31st August 2022**

Objectives and activities

Public benefit

The Trustees have complied with their duty to have due regard to the revised guidance on public benefit issued by the Charity Commission in exercising their powers and duties.

In particular, Trustees have been provided with the Public Benefit guidance published by the Charity Commission and public benefit is properly taken into account in exercising their powers and duties.

In setting our objectives and planning our activities, the Trustees have carefully considered the Charity Commission's general guidance on public benefit.

Strategic report

Achievement and performance

Charitable activities

Trust performance this year is very pleasing. Progress has been made in all areas and against the KPIs set demonstrating an impressive recovery post-Covid years and a resilience across leadership that has been embedded and developed as the Trust has matured.

Contextual Information:

Mill Hill Primary Academy

Mill Hill is a large 2 form entry primary in the Tunstall area of Stoke on Trent. Serving a mixed catchment area with a wide range of socio economic and multi-cultural backgrounds. It is a feeder Primary to Haywood Academy serving 453 pupils.

There is a large and above national average number of pupil premium children, and this has grown over the 21/22 academic year due to unemployment linked to the pandemic. There has been an increase in the number of families needing additional support. This high level of deprivation (PP 55%) linked with low literacy levels within the parent population has limited many of the pupils learning experiences especially through the prolonged period of national lockdown and extended isolation periods.

Significant progress has been made in the number of children achieving 'Good levels of Development' in Early Years from 9% in 2014 to national average now. A significant improvement under the guidance and support of the City Learning Trust team. However, this cohort has been significantly impacted by the pandemic. In KS2 between 2016 to 2018 the Reading writing and Maths combined expected standard rose from 27.8% to 49.2%. During the same period progress in all areas has been at or above national level. 2020 teacher assessments show significant improvements in KS2 attainment and progress from 2019. Expected Reading rose from 45% - 70% writing 52%-61% Maths 56%-70% and combined 38%-61%. In 2021 teacher assessments also showed improvements across the board despite the impact of school closures. These predictions were realised with the publication of the KS2 SATs data in 2022.

In January 2020, Ofsted inspected and reported that improvements could be seen across the school in every aspect under the new leadership team. The school was judged Good across Behaviour and Attendance, Personal Development, Leadership and Management and Early Years Provision. However, there remained some historic issues with the older year groups due to gaps in their learning from poor teaching under the previous regime. The overall judgement for Quality of Education remained at Requires Improvement and across the last 2 years, significant work has been undertaken to ensure that the quality of education received by Mill Hill's young people is exceptional.

**Report of the Trustees
for the Year Ended 31st August 2022**

Smallthorne Primary Academy

Smallthorne is a small school of around 229 pupils from the ages of 3-11 based in Stoke on Trent, serving a mixed catchment area with a wide socio economic and multi-cultural background. It is a feeder primary to Haywood Academy.

With high pupil premium numbers (49%), along with increasing numbers of persistent absence exacerbated by the pandemic, the school is working hard to encourage pupils back into the classroom and to target catch up to close some significant gaps in reading and maths.

The school converted and joined the Trust in January 2017. Data outcomes show the school seeing year on year improvements over the next two years, but this stalled in 2019 when outcomes dropped in Reading, Writing and Maths. There has been a significant focus of support from the Trust to develop teaching and learning and pupil behaviour across the school. Leaders and staff have worked together to develop aspects of pupils' learning and curriculum development. There are strengths in pastoral care - with caring relationships between staff and pupils - also seen between school and home too.

Strengths are also seen in the quality of Nursery and Reception class provision due to the close links made by staff with families prior to their children joining the school. Well-resourced areas and positive caring relationships between staff and children provide a safe and secure environment for learning. In the last academic year, this has improved even further.

Ofsted inspected the school in November 2019 and reported improvements; judging Personal Development and Early Years provision as Good with Requires Improvement judgements across all other areas and an overall RI judgement for the academy.

RAP data from the latest dashboard in all year groups show improving outcomes in the percentage of pupils gaining expected standard in Reading, Writing and Maths - combined as well as across each individual element with outcomes stabilising across the percentage of pupils with Good Levels of development in RWM.

The Academy is on a journey of improvement and has made significant strides over the last year with the support of the Trust.

Haywood Academy and City College

Haywood Academy (originally an Engineering Specialist College) was the founding school in the Trust and is based in Burslem in Stoke on Trent. Haywood is a larger than average 11-19 Secondary School it has 1,121 pupils on roll. It is a popular school, significantly over PAN with two bulge years due to popularity.

Deprivation indicators show it well above average and in the top 20% nationally for students with an Education Health and Care Plan. 20% of students are EAL with 43 separate languages spoken across the Academy. The school population comprises 68% White British Heritage, 9.6% Asian Pakistani Heritage along with a further 15 different recognised ethnic groups. The academy community has some challenges: socio economic deprivation, overcrowded and temporary housing, high levels of poverty and unemployment, high crime rates and health problems. The Trust, with the school, strives to overcome these very longstanding and significant barriers to student achievement.

In December 2017, Ofsted inspected the school and reported that significant improvements could be seen across the school in every aspect of its work under the leadership of the Headteacher and supported by an effective CEO. The school was judged Good across all areas with Overall Effectiveness also of Good. The report describes the quality and ambition of its leadership and the clear vision and sense of direction which is shared by staff, parents and pupils. This remains the case. Teaching, learning and assessment are good, and the curriculum is suitably broad and balanced. Governance was also judged to be strong and well led.

This year has seen continued further improvement:

- Improving predicted outcomes at Key Stage 4 and 5 and assessment data at Key Stage 3;
- Students with SEND have seen improved outcomes;
- Due to support and curriculum scaffolding in many subject areas, low prior attainers achieve above the national average year on year.
- There is an increase in uptake for the full EBACC and a commitment from the leadership team not to narrow the offer as a result of Covid recovery.
- Improvements seen in teaching and learning through Academy monitoring and reinforced through student voice.

Despite the impact of the pandemic on Haywood and its significantly vulnerable community, with the support of the Trust the school has remained on track, improving its educational offer and the outcomes for students, demonstrably adding value.

**Report of the Trustees
for the Year Ended 31st August 2022**

Trentham Academy

Trentham is an 11-16 Secondary School of average size in Stoke-on-Trent's Trentham area. There are currently 722 students on roll, with a growing intake as the Academy becomes a school of choice for parents - shown in increasing numbers applying in Year 7. Trentham has a PP cohort of on average 20%, SEND profile of approximately 15% and EAL of 8%.

The school converted to academy status and joined the Trust in July 2017. Ofsted inspected the Academy in October 2021 (first time since its conversion) and gave 'Outstanding' judgements for Leadership & Management and Personal Development with 'Good' for every other category and for the overall quality of education delivered. This is a significant achievement for the Trust as the school was on the DFE's 'stuck' schools list before it joined the Trust, having had three 'Inadequate' Ofsted judgements in its previous ten years and never being Good for longer than 18 months in the previous 25 years. Ofsted noted the 'exemplary promotion of pupil's personal development - with many pupils involved in extracurricular activities and holding leadership roles in school.

The Trust have established a highly successful school, with a well-respected and highly motivated workforce - who go the extra mile so that pupils can flourish. This has resulted in significant improvements in the quality of education. As a result, the needs of all pupils, including those with SEND, are being met.

There are extensive professional development opportunities within the Trust and the Academy, which are recognised by teachers as having a positive impact on their own teaching and they value the support they receive and speak highly of the collaborative culture.

The Academy has seen increases across most outcomes consistently since 2017 (especially for its most disadvantaged and despite Covid) with Progress 8 regularly above national average and total Attainment 8 on an upward trajectory from 49.7 in 2019 to 50.2 in 2022. The percentage of students entered for EBacc is also showing an upward trend almost doubling from 17.6% in 2019 to 38% in 2022 against a National Average of 38.3%. The EBacc average point score for the cohort stands at 4.32 in 2022 against an LA average of 3.43 and national of 4.07.

The quality of strategic development and the monitoring of progress against targets is forensic.

School Improvement impact:

Evidence of the success and impact of the Trust's approach was ratified by the October 2021 Ofsted visit to Trentham Academy. When Trentham joined the City Learning Trust, it had long been a school that was failing. With falling roles, historically poor academic performance and sustained weaker judgements by Ofsted for the previous 25 years, the new leadership team had significant work to do to bring it up to the consistently high standard worthy of what the community deserved. In that time, Trentham has consistently performed above national average in headline measures, has become a popular and now consistently oversubscribed school, above PAN in all year groups with a resoundingly positive Ofsted grading confirming that both Leadership & Management and Personal Development are Outstanding. It is one of the highest performing academies across the local authorities with standout results in pass rates in a number of subject areas.

Haywood Academy and City College have maintained their performance at both the end of Key Stage 4 and Key Stage 5. Throughout the year, attendance at the Academy remained consistently above local averages because the academy refused to narrow its curriculum offer ensuring that, as always, it met the needs of the young people it serves. In comparison to local data, the curriculum offer remained broad and balanced and appealed to the needs and interests of all students. With the demographic Haywood and City College serves, it was necessary to prioritise the well-being and attendance of all young people over academy outcomes.

After Covid, our primary academies had their first set of published data in 3 years. Both sets of results demonstrate a sustained improvement and evidence an improving and upward trajectory in performance. In comparison to the 2019 data set, Smallthorne reported improvement in all headline areas for expected standards with the exception of a blip in the writing scores of 2 children and Mill Hill improved across the board significantly for children reaching expected standards at the end of key stage 2. Visits to the academies from colleagues, strategic school improvement partners and members of the regional director's team have been united all shared that the culture

Attendance at all academies throughout the academic year was above local averages, suspension rates on the whole were lower and young people applying to attend any of our academies has been higher than previous year on year comparisons demonstrating that within our local contexts, we are popular and well thought of as schools at the heart of our communities.

All academies have stable leadership and staffing structures with succession plans in place and application of the building talent framework ensuring that academies are moving forward, at pace, following a period of consolidation and stabilization in recent years. This is an exciting time for City Learning Trust.

**Report of the Trustees
for the Year Ended 31st August 2022**

CLT citywide context:

Our academies are situated in Stoke-on-Trent, a key Education Improvement Area. Haywood, City College, Mill Hill and Smallthorne are in the north of the city. Trentham Academy is in the south of the city. In the 2018 social mobility index (yet to be updated), Stoke-on-Trent's ranking was 263 out of 324 districts, within the bottom 20% of the country. The social mobility index by constituency shows that our academies in the north of the city are situated in the bottom 20% of constituencies in Stoke-on-Trent, while our academy in the south of the city is in the middle 50%. In Stoke, at both key stage 2 and key stage 4, disadvantaged children fare badly. This is both in comparison to their better off peers and against national averages for disadvantaged children. On average, 40% of the overall gap between disadvantaged 16 year olds and their peers has already emerged by the age of five. These gaps are particularly pronounced in early language and literacy. By the age of three, more disadvantaged children are, on average, already almost 18 months behind their more affluent peers in their early language development. Around two-fifths of disadvantaged five year olds are not meeting the expected literacy standard for their age. When it comes to higher education, the likelihood of a young person from Stoke-on-Trent progressing to HE is significantly lower than the national average.

Typical barriers that our children and young people face include an increasing % of vulnerable children displaying social, emotional and behavioural needs, in very many cases linked to complex family circumstances. Economic deprivation has seen an increase in the number of families needing additional welfare support to help to access support services such as local food banks. Social mobility has seen a growing number of in year transfers in a number of our academies.

School improvement:

This sustained school improvement impact of the Trust was formally recognised by the then National Schools Commissioner on a visit in 2015, where he wrote to the Trust to commend it for its school improvement work and to recognise that such may not be seen in league tables because of conversion issues.

The collaborative work of the Trust with regard to governance and finance was recently recognised through an BSFA 3-year review that highlighted the review team felt 'lifted' by the practice evident in the Trust and that the Trust 'felt like a true family of schools with a culture of friendliness, respect and highly professional behaviours'. They said that they had 'never seen a Trust working together in the way that the CLT has developed' and commended its rapid progress. Further to this in 2021/22, we commissioned a follow up NGA review that reported that 'the ethos and values of the trust underpin trust priorities. The focus on developing world class education and great staff is relentless. Trustees understand that these values also drive improvement at academy level.'

The Trust has a strong track record over time of school improvement and improving outcomes and has worked hard to secure a very strong governance and finance foundation. The Trust's external adviser (Sir David Carter) conducted an external review of the Trust in April 2019 and noted that CLT Trustee governance was exceptional. He commended the use of ICFP and recognised how this has helped develop an effective and positive working relationship across all academies in the Trust. Sir David Carter recognised too how the Trust was continuing to improve results in an area of significant difficulty and great deprivation. The continuing review process overseen by Sir David Carter has focused this year on the investment on the continuing professional development of staff across the Trust. Sir David Carter has advised on the creation and development of the Professional Growth Package and is confident that the outcome will procure additional value for the Trust's young people by investing so significantly into individual and bespoke staff development.

More recently, the Trust commissioned a review to be undertaken by Jan Renou (former Regional Schools Commissioner) who concluded that 'CLT addresses this (context) with pragmatism, intelligence, and sensitivity - but does not accept as inevitable the impact of these social and economic factors. It is particularly noticeable that CLT schools are achieving outcomes now in line with national averages - and see this not as an end point but the base line for further growth and improvement.' And that, 'a culture of collaboration permeates the Trust. There is a shared understanding of the importance of meeting the needs of the individual child along with an increased focus on SEND.'

**Report of the Trustees
for the Year Ended 31st August 2022**

Strategic report

Achievement and performance

2021/22 Key Performance Indicators:

The key performance indicators for the Trust during the year were to:

1. ensure that pupil/student outcomes in its academies remained strong
2. ensure that it provided quality support to its member schools
3. continue to refine and evaluate systems and procedures that move the CLT to maturity
4. continue to successfully employ integrated curriculum financial planning across the CLT
5. continue to build strong and effective partnerships with a range of external stakeholders and other multi academy trusts
6. create a strong financial outturn that provides sustainable financial health

The above KPIs have been successfully met. The CLT has created a strong and sustainable governance and financial base that has withstood the additional pressures brought about by the school closures in March. Whilst the Trust was forced to re-direct its attention to address the issues brought to the fore during the lockdown, the Trust remains focused upon driving up outcomes towards excellent standards.

The benefits of the CLT's significant investment in to a 100 hour, bespoke staff development programme has been realised during this last academic year, as reported by The Times Education Commission in an article entitled, 'Singapore on Trent'. The Professional Growth programme was born from the outcomes of a DfE funded research visit to the best performing educational jurisdiction in the world and has been modelled on Singapore's practice.

In the 2019/20 academic year, significant progress was made towards this in line with our culture strategy which ensured that all teachers had excellent subject knowledge and were supported to develop skills through our master teacher facilitators. During 2020/21, further refinement to practice was undertaken and then during 2021/22, the programme was effectively married up with individual academy priorities, harnessing the strength of staff across the Trust to support one another to achieve the best for all of our young people.

The next phase of our development:

Our curriculum strategy remains ambitious and is designed to give all pupils, particularly disadvantaged and SEND pupils the cultural capital they need to succeed in life. Our curriculum, that is progressive and sequenced, remains central to Trust planning. Our curriculum offer is focused on ensuring that students are enabled to know and remember more and are equipped with the knowledge and skills for future learning and employment. Our 3-19 curriculum review and revision is designed to enable all children to reach their full potential by developing a love of learning and a desire to succeed.

The quality of education within our Trust across all phases will always remain a priority. We intend to enrich our curriculum offer further by teaming up with partner agencies to deliver an entirely bespoke and unique opportunity for all our young people. This will come into effect in the 2022/23 academic year and will be reported upon in that Trustee Report.

**Report of the Trustees
for the Year Ended 31st August 2022**

Strategic report

Financial review

Financial position

For the period 1st September 2021 to 31st August 2022, the in-year surplus figure is £24,025 (after transfers from revenue funds to fixed asset funds of £177,053). The reserve position as at 31st August 2022 are £461,456 comprising unrestricted funds of £158,732 and General Annual Grant carry forward of £302,724.

This financial year has solidified further the continued good practice across the Trust. Financial performance is strong and our management of resource is effective. Identified by the ESFA audit team as robust, our practice continues to prove successful. The Trust has a fully federated approach to its delivery and systems and practice and culture has further matured during the last year. The NGA review conducted during the period also highlighted that, 'documentation shows that trustees substantially meet all expectations of the Academy Trust Handbook. Trustees are very confident in the strength of their oversight and the compliance of the trust with ESFA expectations. They are also confident that the trust directs funds effectively to support the needs of the academies. Financial reports are considered in great detail; monthly by the internal finance scrutiny group and by both the finance, audit and risk committee and full board in their meetings. This ensures that all trustees have a good understanding of the financial position of the trust.'

The principle sources of funding during the year have been provided by the GAG, Pupil Premium and SEND based funding grants. Other income has come from services provided by key executive personnel with external companies. All of our expenditure has been used to support the key objectives of the Trust as described in this report and the Trust's corporate business plan.

Monies received in to the Trust intended for catch up for students following the covid pandemic have been used as such as well as additional character based activities arranged to support student resilience and well-being following the extended lock down periods.

The CFO reviews all financial policies and alongside a Board appointed internal scrutineer, cross checks all policies and procedures to ensure effectiveness and compliance of controls in place.

The Trust has appointed a Director of Finance and Operations to support in the further development of our federated approach and to oversee the technical delivery of financial procedures. Due to the success of the centralization of our financial function some years ago, delegated authorities have been reviewed in this last year and all Academy Leaders now manage their budget function fully, aided by a finance professional, justifying their expenditure to the local governing committee. The successful management of finances and the value for money achieved through the efficient and robust procurement methods means that the Trust has been able to invest year on year in the capital improvements across all Academy sites - improving technical infrastructure and resource as well as the learning environments. All academies have received monies back into their budgets as windfall payments for them to facilitate this work and the central team have overseen its implementation.

All financial practice is well established with monthly budget meetings hosted with the accounting officer, the Trustee Scrutiny Committee, Academy Leads and other sub committees as appropriate. The Finance, Audit and Risk committee oversee this practice on a termly basis, as delegated by the Trust board.

Investment policy and objectives

Cash reserves are currently held in standard current accounts and are committed to contingency funds and school improvement work for the 2022/2023 academic year.

The Trust have approved plans to invest only in low risk bank deposit accounts, which offers the flexibility to invest across a range of account terms in order to balance liquidity and return. . The Trust only invests surplus cash to earn an acceptable rate of return without undue risk. Investment has been made within the period being reported and returned £219 in interest.

Reserves policy

Individual academies build a contingency into their budget. Academy budgets include a 3% reserve. This reserve is held by the Trust. Programmes of work are agreed by the Chief Executive Officer, the Executive Leadership Group and the Senior Leadership Group (Academy Leaders), using these reserve monies to support outcomes for young people. The Trust has ended the year with a growing cash reserve which will be committed in support of the strategic aims of the Trust in the 2022/2023 academic year.

**Report of the Trustees
for the Year Ended 31st August 2022**

Strategic report

Financial review

Going concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the CLT 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 statement of accounting policies.

Fundraising

The Trust has not undertaken any form of fundraising during the financial year other than standard PTFA and charity fundraising activities which are delegated to constituent academies.

Principal risks and uncertainties

The principal risks and uncertainties facing the CLT during the period have been related to quality of education. Ensuring that all members of our community have been properly and successfully reintegrated into our provision has been a priority and has had to be adaptable to ensure that we are delivering directly to the needs of our young people, their families, our staff and our wider stakeholders. The period post-Covid has been equally as turbulent as the period within Covid but for different reasons. Adolescent mental health, domestic abuse and child on child abuse have become the consistent safeguarding priorities across the Trust as a direct result of the pandemic and as such, our offer has had to change as has our mode of delivery. Academy performance has been strong in response to this but additional resource, training and support structures have had to be found to address the changing internal landscape with people needing to upskill quickly to manage the demand.

The Trust continuously reviews its risk register that RAG rates all the risks and uncertainties surrounding its operation on a regular basis. On a half termly cycle, all area leads review their identified risks and update against the current picture. This in turn is collated into a summary Board document and ongoing high risks remain under the constant attention of the Board of Trustees.

Plans for Future Periods

The City Learning Trust is working to achieve the aims and objectives of the 5-year strategic plan. As such, the aim of the Trust is to provide a world class education to all of the young people that it serves by developing or recruiting great staff whilst exercising financial probity and offering value for money for the public benefit.

Structure, governance and management

Constitution

The academy trust is a charitable company limited by guarantee and an exempt charity. The charitable company's memorandum and articles is the primary governing document of the academy trust. The Trustees of City Learning Trust are also the directors of the charitable company for the purpose of company law. The charitable company operates as City Learning Trust.

Details of the Trustees who served during the year are included in the Reference and Administrative Details on page 1.

Members' liability

Each member of the academy trust 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 cease to be a member.

Trustees' Indemnities

The Trust has purchased insurance to protect trustees, governors and officers from claims arising from negligent acts, errors or omissions whilst on Trust business. The insurance provides cover up to £5,000,000 aggregated across the year. The cost of this insurance is included in the total insurance reported by the Company.

**Report of the Trustees
for the Year Ended 31st August 2022**

Structure, governance and management

Method of Recruitment and Appointment or Election of Trustees

The Trust Board consists of seven members as at 31 August 2022.

The number of Trustees of the company shall not be less than 3 but (unless determined by ordinary resolution) shall not be subject to any maximum. The Articles of Association set out the categories of Trustees and this includes the following:

- Up to 6 Trustees may be appointed by the Members of the Trust by ordinary resolution.
- The Trustees ensure that there are 2 Parent Governors appointed to LGCs and so Parent Governors are not appointed as Trustees.
- The Trustees may appoint Co-opted Trustees as necessary.
- 3 Academy Trustees may be appointed by or elected in accordance with any policy decided by the Trustees for that purpose or from a Local Governing Committee.
- Trustees are appointed based on their skill sets and each appointment considered by the Trustees and appointed by unanimous resolution of the Members.

The term of office for Trustees is 4 years, save this time limit does not apply to the Chief Executive Officer who is an ex-officio member of the Board. Subject to remaining eligible to be a particular type of Trustee, any Trustee may be reappointed or re-elected. Recruitment and appointment of Trustees is ratified by Members. Annually, the skills audit is reviewed to identify areas where additional capacity would be favourable. Following this, expressions of interest are reviewed and the most suitable candidates are invited to apply for a position within the Board. The process is robust and has a number of points of review to ensure best fit. The induction itself is a prolonged period of time with mentoring and review points to ensure clarity and understanding, equipping all Trustees with the knowledge, understanding and experience to effectively hold the CEO to account.

Policies and Procedures Adopted for the Induction and Training of Trustees

Training and induction of new Trustees is given on an individual basis as appropriate and includes one to one meetings with key management personnel alongside other Trustees and is supported by a governance welcome pack. In addition, the City Learning Trust register all Trustees with the National Governance Association and from there they can access on-line training programmes. Trustees are also invited to the Governance Conferences run throughout the year any 'in-house' training at constituent academies - including Prevent, Safeguarding, etc.

**Report of the Trustees
for the Year Ended 31st August 2022**

Structure, governance and management

Organisational structure

The Trustees are responsible for exercising oversight of the governance and management of the Trust. In exercising their responsibilities, Trustees consider the advice given by the CEO, other executive officers and the Chairs of the Local Governing Committees (LGC) as appropriate. Annually the Trust Board agrees a scheme of delegation to ensure clarity and consistency in the running of the Trust.

As a Multi Academy Trust, the management structure within the Trust operates as follows:

- Members
- Board of Trustees
- CLT Executive Leadership Group
- Local Governing Committee(s) whose powers are devolved by the Trustees
- Cooperative Forum
- CLT Senior Leadership Group

The Trustees are responsible for setting general policy and establishing the strategic direction for the Trust. The Board delegates, to the CEO, the authority to implement its vision and the day to day leadership and management of the Trust. The Trust adopts an annual plan and budget, monitoring across the Trust by the use of results and budgets and makes major decisions about the direction of the Trust, capital expenditure and senior staff appointments.

The Accounting Officer is the CEO of the Trust. The Scheme of Delegation gives full details of all delegated responsibilities across the Trust, including those delegated to LGCs and Academy leads.

In the 2019/20 academic year, the Trust was subject to a full ESFA finance and governance audit as part of the typical round of visits. This highlighted no areas of concern and praised the effective governance of the Trust in instilling governance arrangements successfully and to an exceptionally high standard. In addition to this, a full programme of internal scrutiny is scheduled throughout the year and the monthly Trustee Finance Scrutiny committee maintain a clear focus on policy into practice. All reviews have concluded financial infrastructure is secure and copes well with the changing and growing needs of the Trust and that governance is strong.

Governance at the City Learning Trust is under constant review. Within the academic year 2021/22, we commissioned a review of governance by the National Governance Association. The review concluded that 'Governance at City Learning Trust is highly effective. Trustees have a strong sense of their strategic role and rigorously hold leaders to account. Financial oversight is well developed. The board is well led by the chair and very effectively supported by the trust governance officer. The structure of governance is fit for purpose and effective. Meetings are well planned and carefully timetabled. The scheme of delegation is clear and the board ensures that discussions and decisions are not duplicated at different levels.'

The key responsibility of the local governing committees is to determine, in cooperation with the Trust, the strategic vision and ethos of their academy, to hold their Headteacher / Principal to account by challenging and monitoring performance particularly regarding the achievement of students and safety of both staff and students. Local governing committees are also responsible for ensuring financial probity and for acting as a responsible employer. At an operational level LGCs regularly monitor the performance of their respective Headteacher / Principal and, alongside the Chief Executive, undertake Headteacher performance management.

**Report of the Trustees
for the Year Ended 31st August 2022**

Structure, governance and management

Arrangements for setting pay and remuneration of key management personnel

The Trust has adopted the STPCD as the benchmark and guide for all senior academy based posts. For central Trust posts, we use STPCD guidance and external salary benchmarking as a guide for setting pay.

Pay reviews are conducted according to the Trust Pay Policy and Performance Management schedule. A pay award is dependent on the outcomes of a successful appraisal process. For all leadership posts in our academies up to Senior Vice-Principal, pay recommendations are from Headteachers / Principals and are moderated and approved by the local governing committee. For Headteachers / Principals, pay recommendations are made by the CEO in conjunction with the local governing committee before being quality assured by the Trust Remuneration committee (a nominated group of Trustees) and then ratified by the full Board. This is the same for all central Trust leadership posts. All central management personnel roles have a job description and salaries are bench marked against similar roles nationally.

The Trust uses a performance management tool for all of its employees, including senior managers and key personnel. All performance related information is stored here and available for analysis across the Trust. Targets for each senior leader are set on an annual basis, taking into consideration; the job description of the role, the Trust priorities, pupil progress across the Trust and the Trust self-evaluation and development plan. A midyear performance review is held to validate progress against targets set. At the end of the year, if targets have been met and overall performance has been good then the appropriate pay awards are made.

The CEO's performance and pay is managed by the Chair of the Board, alongside two other Trustees who have been supported by an external independent consultant with experience of assessing educational improvement and achievement. Targets for the CEO are set on an annual basis, taking into consideration the Trust priorities, student outcomes across the Trust and the achievement of Trust KPIs.

Related Parties and other Connected Charities and Organisations

Although there are a number of professional links to other schools, multi-academy trusts and third party organisations, the Trust is an independent body with no affiliation to outside bodies. There is only one related party with whom transactions have been made and reported in the annual accounts for the 2021/22 academic year. Approval was sought and confirmed from the ESFA as appropriate.

The Trust works closely with a wide variety of charitable organisations in the field of education, but is not 'connected' in terms of paragraph 28(1) of schedule 3 of the Charities Act.

The City Learning Trust is a licensed DfE sponsor and has experience in offering support to schools outside of the Trust in leadership, teaching, school improvement, finance, governance and HR. There are no activities of this type to be reported within the 2021/22 academic year.

**Report of the Trustees
for the Year Ended 31st August 2022**

Structure, governance and management

Engagement with employees (including disabled persons)

The City Learning Trust operates an open line of communication with all of its staff members. At a local level, staff are engaged with via a number of functions: regular staff training meetings; briefings; INSET days; Academy Improvement Plans and Self-Evaluation documentation. The aims and objectives of each academy are also shared via performance management conversations and professional development opportunities. At a Trust level, staff are involved in annual engagement practices that are intended to source feedback on their experience working at the Trust. This is an anonymous system that takes feedback on all elements of their professional and personal experiences. Management of this is undertaken centrally to ensure that patterns can be factored in to whole Trust development planning. This information is then filtered back to Academies so that actions can be taken at a local level to address any areas where performance is identified as being below expectation.

Further to this, the Trust operates a professional growth package that pulls together all teachers, education support staff and leaders from all academies to ensure that staff have the opportunity to learn from one another as well as national and global best practice and hold Trust leaders to account on the package of development available. Through this practice, we have also created a Building Talent culture to further bolster the professional development opportunities for all colleagues across the Trust. This whole programme is continually evaluated and further developed to ensure that it provides the best quality opportunities for our colleagues and is responsive to need.

As a matter of practice, all Academy Leaders undertake employee relations meetings with local trade union representatives and staff representatives to discuss the impact of Academy and staff performance, policy implementation and change management. At a MAT level, this is replicated with the operation of a Joint Negotiating Council, operating with a terms of reference that involves Trust Executive Leaders alongside both regional and national Trade Union representation. Discussion points at this level are over Trust-wide policies, improvements and change management.

The City Learning Trust operates an Equality and Diversity Policy and undertakes an appropriate equality impact assessment for every piece of change management initiated. The findings from these are discussed with the relevant staff and Trade Union representative and inform the next steps actions for the Trust.

Funds held as custodian for others

The Trust holds no funds on behalf of others.

Streamlined energy and carbon reporting

As the Trust has not consumed more than 40,000kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

Statement as to disclosure of information to auditors

Insofar as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

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

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 12th December 2022 and signed on the board's behalf by:



Mrs M Sproston - Trustee

City Learning Trust

Governance Statement for the Year Ended 31st August 2022

Scope of Responsibility

As Trustees we acknowledge we have overall responsibility for ensuring that City Learning 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 the DfE's Governance Handbook and competency framework for governance.

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive, 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 City Learning 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 have formally met 6 times during the year. Attendance during the year at meetings of the Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mrs M Sproston (Chair)	6	6
Mr D Johnson (Vice- Chair)	6	6
Mr N Dawson	6	6
Mr B Dyer (resigned 6.1.22)	1	2
Mr D Gooda	6	6
Mr S Hawker	6	6
Mr C Ward (Chief Executive Officer and Accounting Officer)	6	6
Mr I Hookway (appointed 25.4.22)	2	2

An effective Trust Board is key to the success of the Trust. Clear governance arrangements are necessary to enable the Board to ensure that appropriate systems and policies are in place, regularly reviewed and provide both legal accountability and the ability to deliver the organisation's objectives. The Board meets regularly to maintain a strategic overview of the Trust's work, specifically they:

- Set the Trust's vision, values and standards of conduct and ensure that obligations to stakeholders are understood, communicated and met.
- Ensure that the Trust complies with its constitution, mandatory requirements and statutory duties
- Oversee the financial performance of the Trust
- Provide effective and proactive leadership of the Trust within a framework of processes, procedures and controls which enable risk not be assessed and managed.

During the year 1st September 2021 to 31st August 2022 the CLT sub-committee boards also met.

They consist of:

Remuneration Committee

Trustee	Meetings attended	Out of a possible
M Sproston	2	2
D Johnson	2	2
D Gooda	1	1

City Learning Trust

Governance Statement for the Year Ended 31st August 2022

Key roles are:

- Review recommendations from LGC and executive officers on matters of remunerations for all Trust employees
- Provide assurance to the Trust of appropriate remuneration to all Trust employees
- Provide recommendations to the Trust Board on appropriate levels of remuneration for all Trust employees

Finance, Audit and Risk Committee

Trustee	Meetings attended	Out of a possible
N Dawson	3	3
D Gooda	2	3
S Hawker	3	3

Key roles are:

- Advise the Board of Trustees on matters relating to the Trust's Finance, Audit & Risk arrangements, systems of internal control and risk management
- Advise and aid the Board of Trustees to ensure sound management of the Trust's finances and resources, including proper planning, monitoring and probity.
- Receive information/reports on a termly basis from the Finance Scrutiny Group
- Identify any matters where it considers that action or improvement is needed, make recommendations as to the steps to be taken and report its work, conclusions and any recommendations to the Trust.

Other sub-committee groups consist of the Trustee RAP with key roles are to: set and agree constituent academy outcome targets annually; review progress against KPIs and challenge underperformance and the cooperative forum who consider engagement with stakeholders from across the Trust and review and management of communication with key stakeholders. Membership of these groups differs according to need but stakeholders across the Trust's community are involved at every level.

Moving forward, Trustees have reviewed and re-considered how they will re-organise their committee structure to meet the changing needs of the organisation going forward. The Board will continue to operate a six full board meeting structure where they will review the progress against the KPIs and hold executive leaders to account for the performance of the Trust - both academically and financially. In addition to the monthly Trustee Finance Scrutiny committee, the Finance, Audit and Risk committee will meet termly. The twice annual Remuneration committee will meet in line with the scheme of delegation, staff performance policy and pay policy. The Trustee 'Raising Achievement and Planning' (RAP) committee which focuses on student achievement will meet 4 times a year, continuing the work they have started in recent years.

All associated academies within the Trust have a Local Governing committee in place which is in effect a further sub-committee of the Board with delegated responsibilities which support the aims and objectives of the Trust (see Scheme of Delegation).

The key changes to the composition of the Board of Trustees during this period are as follows:

- Mr B Dyer - resignation 6.1.22
- Mr I Hookway - appointment 25.4.22

An audit of governance was undertaken in September 2019 by the ESFA and concluded that governance of the Trust was strong. The ESFA recognised the work of the Trustees in moving the Trust and its performance forward successfully, undertaking their role effectively. Internal scrutiny has continued in line with the stipulations set out in the Academies Financial Handbook for this period and further governance audits and development work were undertaken during 2021/22 academic year through NGA. NGA concluded that, 'Governance at City Learning Trust at trust board level is highly effective. Trustees have a strong sense of their strategic role and rigorously hold leaders to account. Financial oversight is well developed. The board is well led by the chair and very effectively supported by the trust governance officer.'

City Learning Trust

Governance Statement for the Year Ended 31st August 2022

Review of Value for Money

As accounting officer, the Chief Executive Officer has responsibility for ensuring that the academy 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 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:

- Monitoring closely with the executive team, expenditure across all academy staffing structures and ensured integrated curriculum financial planning is established effectively to balance the needs of the Trust
- Efficient deployment of central staff roles to reduce repetition of duties across constituent academies and to maximize output by devolving authorities appropriately
- Deployment of expert leads to facilitate shared growth across all academies through sharing of good practice
- Continued focus on procurement to ensure that identified goods, supplies and services suitable collective purchasing across the Trust to maximise savings through building economies of scale.

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 ongoing process designed to identify and prioritise the risks to the achievement of Academy Trust's 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 the City Learning Trust for the period 1st September 2021 to 31st 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 on-going process for identifying, evaluating, managing and mitigating the CLT's significant risks. This has been in place for the period 1st September 2021 to 31st August 2022 and runs up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees and is led on by one of the CLT Executive Leadership Team. The management of risks is undertaken regularly to mitigate against the likelihood of those risks being realised and the subsequent impact should they be realised.

The Risk and Control Framework

The 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:

- Budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and approved by the Trustees.
- Regular reviews by the Trustee Finance Scrutiny committee and overseen by the Finance, Audit and Risk committee which indicate financial performance against forecasts and of major purchase plans, capital works and expenditure programmes.
- Setting targets to measure financial and other performance.
- Delegation of authority and segregation of duties
- Clearly defined purchasing (asset purchase or capital investment) guidelines
- Identification and management of risks.

City Learning Trust

Governance Statement for the Year Ended 31st August 2022

The Board of Trustees have decided not to appoint an auditor for the purpose of undertaking internal audit. However, the Trustees have appointed David Johnson, a Trustee, to carry out a programme of internal checks.

The internal audit role includes giving advice on financial and other matters and performing a range of checks within the Academy and Central sites on financial and other systems. In particular, the checks carried out in the current period included tests on:

- Business Continuity Plans and Disaster Recovery
- Cash and bank
- Data and IT
- Efficiency, funding and budgets
- Fraud, theft and bribery
- Management info and reports
- Monthly financial closedown
- Payroll and HR
- Premises
- Procurement
- Whistleblowing and safeguarding

On a termly basis, the reviewer reports to the Board of Trustees, through the finance, audit and risk committee on the operation of systems of control and on the discharge of the Board of Trustees' financial responsibilities and annually prepares an 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.

NGA concluded that, 'internal scrutiny is exceptional and carried out by a trustee who has substantial experience in audit. He is not a member of the finance, audit and risk committee, but reports both to them and to the full board. He is well aware of the potential conflicts of interest in being both a trustee and a scrutineer and manages the lines of accountability in this role very carefully. The programme of internal scrutiny is planned in line with the ESFA good practice guide. It is, well informed by additional background research, including finding out about trusts which have been given official ESFA Notice to Improve. Different checks are spread out over the year and trustees have access to reports on all aspects of the scrutiny.'

Review of Effectiveness

As Accounting Officer, the CEO 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 audit process
- the work of the external auditors
- the scrutiny committee assessing finance
- the Finance, Audit and Risk committee
- the school resource management self-assessment tool
- the work of the Executive Leaders within the Trust who have responsibility for the development and maintenance of the internal control framework.

City Learning Trust

**Governance Statement
for the Year Ended 31st August 2022**

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the relevant personnel and a plan to ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 12th December 2022 and signed on its behalf by:



Mrs M Sproston - Trustee



Mr C S Ward - Accounting Officer

City Learning Trust

**Statement on Regularity, Propriety and Compliance
for the Year Ended 31st August 2022**

As accounting officer of City Learning 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 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.

Mr C S Ward - Accounting Officer

A handwritten signature in black ink, appearing to read 'C S Ward', written over a horizontal line.

12th December 2022

City Learning Trust

Statement of Trustees' Responsibilities for the Year Ended 31st August 2022

The trustees (who act as governors of City Learning Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with the Academies Accounts Direction issued 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 the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping 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 to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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 the 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 board of trustees on 12th December 2022 and signed on its behalf by:



Mrs M Sproston - Trustee

Report of the Independent Auditors to the Members of City Learning Trust

Opinion

We have audited the financial statements of City Learning Trust (the 'academy trust') for the year ended 31st August 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency (ESFA).

In our opinion the financial statements:

- give a true and fair view of the state of the academy trust's affairs as at 31st 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;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and Academies Accounts Direction 2021 to 2022.

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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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.

Other information

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

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Report of the Independent Auditors to the Members of City Learning Trust

Matters on which we are required to report by exception

In the light of the 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 Report of the Trustees.

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

- 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 charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- enquiring of management including obtaining and reviewing policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether there were any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have any knowledge of any actual, suspected or alleged fraud;
 - reviewing the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- discussions among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

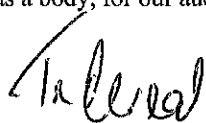
obtaining an understanding of the legal and regulatory framework in which the Trust operates, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the Trust.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

**Report of the Independent Auditors to the Members of
City Learning Trust**

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 the academy trust's members as a body, for our audit work, for this report, or for the opinions we have formed.



Timothy McNeal FCA (Senior Statutory Auditor)
for and on behalf of Hardings
Chartered Accountants & Statutory Auditor
6 Marsh Parade
Newcastle-under-Lyme
Staffordshire
ST5 1DU

12th December 2022

**Independent Reporting Accountant's Assurance Report on Regularity to
City Learning Trust and the Education and Skills Funding Agency**

In accordance with the terms of our engagement 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 City Learning Trust during the period 1st September 2021 to 31st 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 City Learning Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to City Learning Trust and the 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 City Learning Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of City Learning Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of City Learning Trust's funding agreement with the Secretary of State for Education and the Academy Trust Handbook, extant from 1st 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 period 1st September 2021 to 31st 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 Academies Accounts Direction 2021 to 2022 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

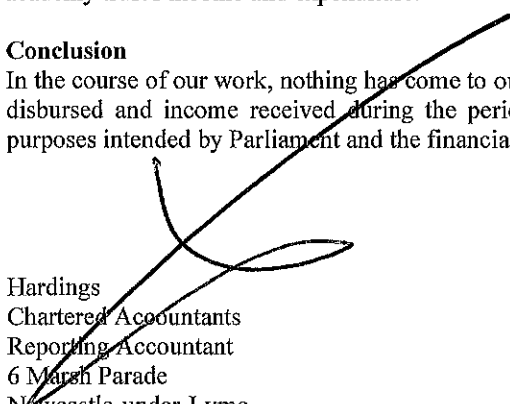
The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

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.

Conclusion

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



Hardings
Chartered Accountants
Reporting Accountant
6 Marsh Parade
Newcastle-under-Lyme
Staffordshire
ST5 1DU

12th December 2022

City Learning Trust

Statement of Financial Activities
for the Year Ended 31st August 2022

				31/8/22	31/8/21
		Unrestricted fund	Restricted fixed asset fund	Restricted fund	Total funds
	Notes	£	£	£	£
Income and endowments from					
Donations and capital grants	2	19,491	55,154	-	74,646
Charitable activities					
Funding for the academy's educational operations	3	-	-	16,634,137	16,634,137
Other trading activities	4	68,409	-	178,457	246,865
Investment income	5	219	-	-	219
Total		88,119	55,154	16,812,594	16,955,867
Expenditure on Charitable activities					
Academy's educational operations	6	-	988,910	17,735,635	18,724,545
Total	6	-	988,910	17,735,635	18,724,545
NET INCOME/(EXPENDITURE)		88,119	(933,756)	(923,041)	(1,768,678)
Transfers between funds	17	-	177,053	(177,053)	-
Other recognised gains/(losses)					
Actuarial gains/(losses) on defined benefit schemes		-	-	9,731,000	9,731,000
Net movement in funds		88,119	(756,703)	8,630,906	7,962,322
Reconciliation of funds					
Total funds brought forward		70,613	39,118,189	(10,534,182)	28,654,620
Total funds carried forward		158,732	38,361,486	(1,903,276)	28,654,620

The notes form part of these financial statements

City Learning Trust (Registered number: 07746561)

Balance Sheet
31st August 2022

				31/8/22	31/8/21
	Notes	Unrestricted fund £	Restricted fixed asset fund £	Restricted fund £	Total funds £
Fixed assets					
Tangible assets	13	-	38,361,486	-	38,361,486
Current assets					
Debtors	14	-	-	462,218	462,218
Cash at bank and in hand		158,732	-	1,566,293	1,725,025
		158,732	-	2,028,511	2,187,243
Creditors					
Amounts falling due within one year	15	-	-	(1,725,787)	(1,725,787)
Net current assets		<u>158,732</u>	<u>-</u>	<u>302,724</u>	<u>461,456</u>
Total assets less current liabilities		158,732	38,361,486	302,724	38,822,942
Pension liability	18	-	-	(2,206,000)	(2,206,000)
NET ASSETS		<u>158,732</u>	<u>38,361,486</u>	<u>(1,903,276)</u>	<u>28,654,620</u>
Funds					
Restricted income funds	17			36,458,210	28,584,007
Unrestricted income fund				158,732	70,613
Total funds				<u>36,616,942</u>	<u>28,654,620</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 12th December 2022 and were signed on its behalf by:

Mrs M Sproston - Trustee

City Learning Trust

**Cash Flow Statement
for the Year Ended 31st August 2022**

	Notes	31/8/22 £	31/8/21 £
Cash flows from operating activities			
Cash generated from operations	22	<u>(95,534)</u>	<u>856,299</u>
Net cash (used in)/provided by operating activities		<u>(95,534)</u>	<u>856,299</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(232,206)	(79,764)
Capital grants from DfE/ESFA		55,155	62,712
Interest received		<u>219</u>	<u>45</u>
Net cash used in investing activities		<u>(176,832)</u>	<u>(17,007)</u>
Change in cash and cash equivalents in the reporting period		<u>(272,366)</u>	<u>839,292</u>
Cash and cash equivalents at the beginning of the reporting period		<u>1,997,391</u>	<u>1,158,099</u>
Cash and cash equivalents at the end of the reporting period		<u><u>1,725,025</u></u>	<u><u>1,997,391</u></u>

The notes form part of these financial statements

Notes to the Financial Statements
for the Year Ended 31st August 2022

1. Accounting policies

Basis of preparing the financial statements

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Academies Accounts Direction 2021 to 2022 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

City Learning Trust meets the definition of a public benefit entity under FRS 102.

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 company 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 and 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.

Income

All income is recognised in the Statement of Financial Activities once the academy trust has entitlement to the funds, it is probable that the income will be received 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 period 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 academy trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable (where there are no performance-related conditions), where it is probable that the income will be received and the amount can be measured reliably.

Donations

Donations are recognised on a receivable basis (where there are no performance related conditions), where it is probable that the income will be received and the amount can be measured reliably.

Other income

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

Notes to the Financial Statements - continued
for the Year Ended 31st August 2022

1. Accounting policies - continued

Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Donated fixed assets

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 should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

Expenditure

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

Charitable activities

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

Tangible fixed assets

Assets costing £1,000 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 fund 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 the tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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 impairments. Impairment losses are recognised in the Statement of financial activities.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over the expected useful lives on the following basis:

Freehold buildings	- over 50 years straight line
L/term leasehold buildings	- over 50 years straight line
Freehold land	- no depreciation
Property improvements	- over 10 years straight line**
Assets under construction	- no depreciation
Fixtures and fittings	- over 4 years straight line
Computer equipment	- over 3 years straight line
Motor vehicles	- over 4 years straight line

**Notes to the Financial Statements - continued
for the Year Ended 31st August 2022**

1. Accounting policies - continued

Tangible fixed assets

**Note that improvements to property have not been depreciated where the project has not been completed at the balance sheet date.

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 basis 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 14. 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 note 15. 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.

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 chapter 3 part 11 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.

Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by 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 Education Funding Agency/Department for Education.

Critical accounting estimates and areas of judgement

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

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.

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 (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 18, 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 31st 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.

**Notes to the Financial Statements - continued
for the Year Ended 31st August 2022**

1. Accounting policies - continued

Pension costs and other post-retirement benefits

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 academy 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. As stated in note 18, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the academy 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.

Hire purchase and leasing commitments

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

Agency Arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from the ESFA. Payments received from the ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 21.

City Learning Trust

Notes to the Financial Statements - continued
for the Year Ended 31st August 2022

2. Donations and capital grants

	Unrestricted funds £	Restricted funds £	31/8/22 Total funds £	31/8/21 Total funds £
Donations	19,491	-	19,491	57,883
Grants	-	55,154	55,155	62,712
	<u>19,491</u>	<u>55,154</u>	<u>74,646</u>	<u>120,595</u>

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

	31/8/22 £	31/8/21 £
ESFA/LA Capital Grants	<u>55,155</u>	<u>62,712</u>

3. Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	31/8/22 Total funds £	31/8/21 Total funds £
DfE/ESFA grants				
General Annual Grant(GAG)	-	13,995,223	13,995,223	13,581,454
Other DfE/ESFA Grants	-	1,704,394	1,704,394	2,121,391
	-	<u>15,699,617</u>	<u>15,699,617</u>	<u>15,702,845</u>
Other Government grants				
Local Government Grants	-	500,251	500,251	553,910
Other Government Grants	-	37,548	37,548	72,921
	-	<u>537,799</u>	<u>537,799</u>	<u>626,831</u>
Other income from the academy trust's educational operations	-	<u>396,721</u>	<u>396,721</u>	<u>220,599</u>
	-	<u>16,634,137</u>	<u>16,634,137</u>	<u>16,550,275</u>

City Learning Trust

Notes to the Financial Statements - continued
for the Year Ended 31st August 2022

3. Funding for the academy trust's educational operations - continued

Included within Other DfE/ESFA grants above are the following:

	Unrestricted Funds £	Restricted Funds £	31/08/22 Total Funds £	31/08/21 Total Funds £
Pupil Premium	-	1,017,078	1,017,078	1,009,623
Rates Relief	-	61,952	61,952	61,952
Universal Infant Free School Meals	-	64,831	64,831	55,150
Free School Meal vouchers	-	137,150	137,150	-
Teachers Pay Grant	-	5,223	5,223	466,858
Teachers Pension Grant	-	22,105	22,105	165,218
Year 7 Catch up funding	-	40,851	40,851	162,083
Mass Testing Funding	-	7,930	7,930	35,140
Covid Workforce Funding	-	59,478	59,478	49,976
Coronavirus Job Retention Scheme	-	-	-	18,199
National Tutoring Programme Funding	-	79,943	79,943	-
PE and Sports grant	-	37,310	37,310	-
Summer School Programme Funding	-	39,035	39,035	-
Other	-	131,508	131,508	97,192
	-	<u>1,704,394</u>	<u>1,704,394</u>	<u>2,121,391</u>

4. Other trading activities

	Unrestricted funds £	Restricted funds £	31/8/22 Total funds £	31/8/21 Total funds £
Hire of facilities	68,409	-	68,410	12,685
Other activities for generating funds	-	<u>178,456</u>	<u>178,455</u>	<u>162,335</u>
	<u>68,409</u>	<u>178,456</u>	<u>246,865</u>	<u>175,020</u>

5. Investment income

	Unrestricted funds £	Restricted funds £	31/8/22 Total funds £	31/8/21 Total funds £
Deposit account interest	<u>219</u>	-	<u>219</u>	<u>45</u>

6. Expenditure

	Non-pay expenditure			31/8/22	31/8/21
	Staff costs £	Premises £	Other costs £	Total £	Total £
Charitable activities					
Academy's educational operations					
Direct costs	10,258,184	716,100	1,413,981	12,388,265	11,991,943
Allocated support costs	<u>2,398,215</u>	<u>3,059,512</u>	<u>878,553</u>	<u>6,336,280</u>	<u>6,249,594</u>
	<u>12,656,399</u>	<u>3,775,612</u>	<u>2,292,534</u>	<u>18,724,545</u>	<u>18,241,537</u>

City Learning Trust

**Notes to the Financial Statements - continued
for the Year Ended 31st August 2022**

6. Expenditure - continued

Net resources are stated after charging:

	31/08/22	31/08/21
	£	£
Auditor's remuneration - audit	9,000	9,000
Auditor's remuneration - other services	10,600	12,200
Depreciation - owned assets	780,070	808,842
Depreciation - leasehold assets	<u>208,840</u>	<u>208,840</u>

7. Charitable activities - academy's educational operations

	Unrestricted funds £	Restricted funds £	31/8/22 Total funds £	31/8/21 Total funds £
Direct costs	-	12,388,265	12,388,265	11,991,943
Support costs	<u>-</u>	<u>6,336,280</u>	<u>6,336,280</u>	<u>6,249,594</u>
	<u>-</u>	<u>18,724,545</u>	<u>18,724,545</u>	<u>18,241,537</u>

	31/8/22 Total £	31/8/21 Total £
Analysis of support costs		
Support staff costs	2,398,215	2,385,093
Technology costs	123,619	141,771
Premises costs	1,795,288	2,115,002
Other support costs	754,934	612,031
Governance costs	<u>1,264,224</u>	<u>995,697</u>
Total support costs	<u>6,336,280</u>	<u>6,249,594</u>

Included in governance costs is £1,036,000 (2021: £666,000) charge in respect of the LGPS.

8. Trustees' remuneration and benefits

One or more of the 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 other staff members under their contracts of employment, and not in respect of their roles as Trustees. The value of Trustees' remuneration and other benefits was as follows:

	2022 £	2021 £
Mr C S Ward		
Remuneration	210,000-215,000	205,000-210,000
Pension contributions paid	45,000-50,000	45,000-50,000

As with previous years, the trust has received substantial funding towards the CEO's salary as a result of professional services to an external company.

City Learning Trust

**Notes to the Financial Statements - continued
for the Year Ended 31st August 2022**

8. Trustees' remuneration and benefits - continued

Trustees' expenses

During the year, the following expenses were reimbursed to the above Trustee £nil (2021 : £102)

9. Staff costs

	31/8/22	31/8/21
	£	£
Wages and salaries	9,334,025	9,437,145
Social security costs	923,419	907,913
Operating costs of defined benefit pension schemes	<u>2,162,978</u>	<u>2,091,881</u>
	12,420,422	12,436,939
Supply teacher costs	<u>235,977</u>	<u>170,189</u>
	<u><u>12,656,399</u></u>	<u><u>12,607,128</u></u>

Included in the above staff costs are staff restructuring costs of £11,320 (2021: £45,411) made up of redundancy payments of £919 (2021: 45,411) and Severance payments of £10,401.

The academy trust paid 1 severance payment in the year, disclosed in the following bands:

0-£25,000 1

The average number of persons (including senior management team) employed by the academy trust during the year was as follows:

	31/8/22	31/8/21
Teachers	119	119
Administration and support	187	163
Management	<u>22</u>	<u>22</u>
	<u><u>328</u></u>	<u><u>304</u></u>

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

	31/8/22	31/8/21
£60,001 - £70,000	6	5
£70,001 - £80,000	4	2
£80,001 - £90,000	1	3
£90,001 - £100,000	-	1
£100,001 - £110,000	1	1
£110,001 - £120,000	1	-
£200,001 - £210,000	-	1
£210,001 - £220,000	<u>1</u>	<u>-</u>
	<u><u>14</u></u>	<u><u>13</u></u>

The key management personnel of the academy trust comprises of the trustees and the senior management team as listed on pages 1 and 2. The total amount of employee benefit (including employer pension contributions) received by the key management personnel for their services to the academy trust was £886,790 (2021 : £899,878)

City Learning Trust

**Notes to the Financial Statements - continued
for the Year Ended 31st August 2022**

10. 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 and omissions occurring whilst on Academy Trust business. The insurance cover provides up to £5,000,000 on any one claim.

11. Comparatives for the statement of financial activities

	Unrestricted fund £	Restricted fixed asset fund £	Restricted fund £	Total funds £
Income and endowments from				
Donations and capital grants	57,883	62,712	-	120,595
Charitable activities				
Funding for the academy's educational operations	-	-	16,550,275	16,550,275
Other trading activities	12,685	-	162,335	175,020
Investment income	45	-	-	45
Total	70,613	62,712	16,712,610	16,845,935
Expenditure on				
Charitable activities				
Academy's educational operations	-	1,013,682	17,227,855	18,241,537
Total	-	1,013,682	17,227,855	18,241,537
NET INCOME/(EXPENDITURE)	70,613	(950,970)	(515,245)	(1,395,602)
Transfers between funds	-	17,051	(17,051)	-
Other recognised gains/(losses)				
Actuarial gains/(losses) on defined benefit schemes	-	-	(2,285,000)	(2,285,000)
Net movement in funds	70,613	(933,919)	(2,817,296)	(3,680,602)
Reconciliation of funds				
Total funds brought forward	-	40,052,108	(7,716,886)	32,335,222
Total funds carried forward	70,613	39,118,189	(10,534,182)	28,654,620

City Learning Trust

**Notes to the Financial Statements - continued
for the Year Ended 31st August 2022**

12. Central services

The City Learning Trust provides an extensive range of services in its fully federated approach to collaborative working. Services provided are fully inclusive of Finance, HR, Governance, Health & Safety, Premises, GDPR, Legal and ICT meaning that all academy leaders can concentrate solely on the quality of education that their community experience. Further to this, school improvement services are extensive and entirely bespoke to the needs of the individual academy. Additional central funding is allocated on top of academy budgets to further the reach of development plans. A collective and specialist team are used to diagnose, design and deliver long term sustainable school improvement model.

The City Learning Trust has operated a fully pooled GAG arrangement for several years and all academies benefit from this provision.

13. Tangible fixed assets

	Freehold land & buildings £	Long leasehold land & buildings £	Improvements to property £	
Cost				
At 1st September 2021	30,245,000	11,452,000	1,435,639	
Additions	<u>-</u>	<u>-</u>	<u>116,533</u>	
At 31st August 2022	<u>30,245,000</u>	<u>11,452,000</u>	<u>1,552,172</u>	
Depreciation				
At 1st September 2021	3,019,070	864,760	343,489	
Charge for year	<u>507,260</u>	<u>208,840</u>	<u>154,784</u>	
At 31st August 2022	<u>3,526,330</u>	<u>1,073,600</u>	<u>498,273</u>	
Net book value				
At 31st August 2022	<u>26,718,670</u>	<u>10,378,400</u>	<u>1,053,899</u>	
At 31st August 2021	<u>27,225,930</u>	<u>10,587,240</u>	<u>1,092,150</u>	
	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
Cost				
At 1st September 2021	657,465	12,100	910,362	44,712,566
Additions	<u>59,137</u>	<u>-</u>	<u>56,536</u>	<u>232,206</u>
At 31st August 2022	<u>716,602</u>	<u>12,100</u>	<u>966,898</u>	<u>44,944,772</u>
Depreciation				
At 1st September 2021	512,953	12,100	842,004	5,594,376
Charge for year	<u>63,922</u>	<u>-</u>	<u>54,104</u>	<u>988,910</u>
At 31st August 2022	<u>576,875</u>	<u>12,100</u>	<u>896,108</u>	<u>6,583,286</u>
Net book value				
At 31st August 2022	<u>139,727</u>	<u>-</u>	<u>70,790</u>	<u>38,361,486</u>
At 31st August 2021	<u>144,512</u>	<u>-</u>	<u>68,358</u>	<u>39,118,190</u>

City Learning Trust

Notes to the Financial Statements - continued
for the Year Ended 31st August 2022

14. Debtors: amounts falling due within one year

	31/8/22	31/8/21
	£	£
Trade debtors	53,428	21,990
Other debtors	6,827	284,410
VAT	40,141	70,385
Prepayments and accrued income	<u>361,822</u>	<u>300,624</u>
	<u>462,218</u>	<u>677,409</u>

15. Creditors: amounts falling due within one year

	31/8/22	31/8/21
	£	£
Trade creditors	112,022	347,159
Social security and other taxes	238,322	230,193
Other creditors	7,435	588,619
Accruals and deferred income	<u>1,368,008</u>	<u>1,071,399</u>
	<u>1,725,787</u>	<u>2,237,370</u>

Deferred Income

	£	£
Deferred income as at 1st September 2021	105,372	92,764
Resources deferred in the year	427,226	105,372
Amounts released from previous years	<u>(105,372)</u>	<u>(92,764)</u>
Deferred income as at 31st August 2022	<u>427,226</u>	<u>105,372</u>

Creditors includes £427,226 (2021 : £105,372) of income which has been deferred into the following year due to the timing of the academy's entitlement to the income and predominantly relates to Universal Infant Free School Meals along with Rates Relief, Supplementary Grant, Recovery Premium and trip income for 2022/23. There are no unfulfilled conditions attached to this income at the balance sheet date.

16. Members' liability

Each member of the academy trust 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 cease to be a member.

City Learning Trust

Notes to the Financial Statements - continued
for the Year Ended 31st August 2022

17. Movement in funds

	At 1/9/21 £	Net movement in funds £	Transfers between funds £	At 31/8/22 £
Restricted general funds				
General Annual Grant	366,818	112,959	(177,053)	302,724
LGPS Pension	(10,901,000)	8,695,000	-	(2,206,000)
Restricted fixed asset fund	<u>39,118,189</u>	<u>(933,756)</u>	<u>177,053</u>	<u>38,361,486</u>
	<u>28,584,007</u>	<u>7,874,203</u>	<u>-</u>	<u>36,458,210</u>
Unrestricted fund				
General fund	70,613	88,119	-	158,732
	<u>70,613</u>	<u>88,119</u>	<u>-</u>	<u>158,732</u>
TOTAL FUNDS	<u>28,654,620</u>	<u>7,962,322</u>	<u>-</u>	<u>36,616,942</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Restricted general funds				
General Annual Grant	13,995,223	(13,882,264)	-	112,959
Other DfE/ESFA	1,704,395	(1,704,395)	-	-
Local Authority Grants	500,251	(500,251)	-	-
Other	612,725	(612,725)	-	-
LGPS Pension	-	(1,036,000)	9,731,000	8,695,000
Restricted fixed asset fund	<u>55,154</u>	<u>(988,910)</u>	<u>-</u>	<u>(933,756)</u>
	<u>16,867,748</u>	<u>(18,724,545)</u>	<u>9,731,000</u>	<u>7,874,203</u>
Unrestricted fund				
General fund	88,119	-	-	88,119
	<u>88,119</u>	<u>-</u>	<u>-</u>	<u>88,119</u>
TOTAL FUNDS	<u>16,955,867</u>	<u>(18,724,545)</u>	<u>9,731,000</u>	<u>7,962,322</u>

City Learning Trust

Notes to the Financial Statements - continued
for the Year Ended 31st August 2022

17. Movement in funds - continued

Comparatives for movement in funds

	At 1/9/20 £	Net movement in funds £	Transfers between funds £	At 31/8/21 £
Restricted general funds				
General Annual Grant	233,114	150,755	(17,051)	366,818
LGPS Pension	(7,950,000)	(2,951,000)	-	(10,901,000)
Restricted fixed asset fund	40,052,108	(950,970)	17,051	39,118,189
	<u>32,335,222</u>	<u>(3,751,215)</u>	<u>-</u>	<u>28,584,007</u>
Unrestricted fund				
General fund	-	70,613	-	70,613
	<u>-</u>	<u>70,613</u>	<u>-</u>	<u>70,613</u>
TOTAL FUNDS	<u>32,335,222</u>	<u>(3,680,602)</u>	<u>-</u>	<u>28,654,620</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Restricted general funds				
General Annual Grant	13,581,454	(13,430,699)	-	150,755
Other DfE/ESFA	2,121,391	(2,121,391)	-	-
Local Authority Grants	553,910	(553,910)	-	-
Other	455,855	(455,855)	-	-
LGPS Pension	-	(666,000)	(2,285,000)	(2,951,000)
Restricted fixed asset fund	62,712	(1,013,682)	-	(950,970)
	<u>16,775,322</u>	<u>(18,241,537)</u>	<u>(2,285,000)</u>	<u>(3,751,215)</u>
Unrestricted fund				
General fund	70,613	-	-	70,613
	<u>70,613</u>	<u>-</u>	<u>-</u>	<u>70,613</u>
TOTAL FUNDS	<u>16,845,935</u>	<u>(18,241,537)</u>	<u>(2,285,000)</u>	<u>(3,680,602)</u>

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

The General Annual Grant (GAG) fund is for the charitable purposes of the trust and applied under the ESFA guidance.

Other DfE/ESFA grants are from the DfE and ESFA which are not the GAG but are used for the charitable purpose of the trust.

The SEN funding relates solely to the income and expenditure relating to pupils with special educational needs.

Other income relates to miscellaneous income received.

The pension reserve relates to the Local Government Pension Scheme (LGPS).

Restricted fixed asset fund relates to assets purchased or inherited less depreciation.

City Learning Trust

**Notes to the Financial Statements - continued
for the Year Ended 31st August 2022**

17. Movement in funds - continued

Transfers between the restricted funds and restricted fixed asset funds relates to revenue contributions to capital expenditure.

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

Analysis of academies by fund balance

Fund balances at 31st August 2022 were allocated as follows:

	31/08/22	31/08/21
	£	£
Haywood Academy	-	-
Smallthorne Primary Academy	-	-
Mill Hill Primary Academy	-	-
Trentham Academy	-	-
Central	461,456	437,431
Total before fixed assets and pension reserve	<u>461,456</u>	<u>437,431</u>
Restricted fixed assets funds	38,361,486	39,118,189
Pension reserve	<u>(2,206,000)</u>	<u>(10,901,000)</u>
Total	<u><u>36,616,942</u></u>	<u><u>28,654,620</u></u>

Analysis of academies by cost

Expenditure incurred by each academy during the period was as follows:

	Teaching and educational support staff costs	Other support staff costs	Educational supplies	Other costs (excluding depreciation)	Total
	£	£	£	£	£
Haywood Academy	4,713,724	525,843	411,627	1,010,073	6,661,267
Smallthorne Primary Academy	745,342	131,582	56,126	264,211	1,197,261
Mill Hill Primary Academy	1,401,832	297,414	95,678	566,644	2,361,568
Trentham Academy	2,748,152	448,372	259,366	749,802	4,205,692
Central Services	649,134	995,004	365,996	1,299,711	3,309,845
	<u>10,258,184</u>	<u>2,398,215</u>	<u>1,188,793</u>	<u>3,103,934</u>	<u>17,735,633</u>

**Notes to the Financial Statements - continued
for the Year Ended 31st August 2022**

18. 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 Staffordshire County Council. 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 to the period ended 31 March 2019.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

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 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 4 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. The 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 period amounted to £1,402,000 (2021 - £1,417,000).

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.

Notes to the Financial Statements - continued
for the Year Ended 31st August 2022

18. Pension and similar obligations - continued

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 31st August 2022 was £925,000 (2021 - £849,000), of which employer's contributions totalled £761,000 (2021 - £684,000), and employees' contributions totalled £164,000 (2021 - £165,000). The agreed contribution rates for future years are 25.20 per cent for employers and 12.50 per cent for employees.

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

The amounts recognised in the Balance Sheet are as follows:

	Defined benefit pension plans	
	31/8/22	31/8/21
	£	£
Present value of funded obligations	(12,014,000)	(20,124,000)
Fair value of plan assets	<u>9,808,000</u>	<u>9,223,000</u>
	(2,206,000)	(10,901,000)
Present value of unfunded obligations	<u>-</u>	<u>-</u>
Deficit	<u>(2,206,000)</u>	<u>(10,901,000)</u>
Net liability	<u>(2,206,000)</u>	<u>(10,901,000)</u>

The amounts recognised in the Statement of Financial Activities are as follows:

	Defined benefit pension plans	
	31/8/22	31/8/21
	£	£
Current service cost	1,611,000	1,211,000
Net interest from net defined benefit asset/liability	345,000	264,000
Past service cost	<u>-</u>	<u>-</u>
	<u>1,956,000</u>	<u>1,475,000</u>
Actual return on plan assets	<u>(389,000)</u>	<u>1,375,000</u>

City Learning Trust

**Notes to the Financial Statements - continued
for the Year Ended 31st August 2022**

18. Pension and similar obligations - continued

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	31/8/22	31/8/21
	£	£
Opening defined benefit obligation	20,124,000	14,928,000
Current service cost	1,611,000	1,211,000
Contributions by scheme participants	164,000	165,000
Interest cost	345,000	264,000
Benefits paid	(110,000)	(104,000)
Remeasurements:		
Actuarial (gains)/losses from changes in demographic assumptions	(62,000)	3,551,000
Actuarial (gains)/losses from changes in financial assumptions	(10,089,000)	299,000
Oblig other remeasurement	31,000	(190,000)
	<u>12,014,000</u>	<u>20,124,000</u>

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	31/8/22	31/8/21
	£	£
Opening fair value of scheme assets	9,223,000	6,978,000
Contributions by employer	761,000	684,000
Contributions by scheme participants	164,000	165,000
Interest income on plan assets	159,000	125,000
Benefits paid	(110,000)	(104,000)
Return on plan assets (excluding interest income)	(389,000)	1,375,000
	<u>9,808,000</u>	<u>9,223,000</u>

The amounts recognised in other recognised gains and losses are as follows:

	Defined benefit pension plans	
	31/8/22	31/8/21
	£	£
Actuarial (gains)/losses from changes in demographic assumptions	62,000	(3,551,000)
Actuarial (gains)/losses from changes in financial assumptions	10,089,000	(299,000)
Oblig other remeasurement	(31,000)	190,000
Return on plan assets (excluding interest income)	(389,000)	1,375,000
	<u>9,731,000</u>	<u>(2,285,000)</u>

City Learning Trust

**Notes to the Financial Statements - continued
for the Year Ended 31st August 2022**

18. Pension and similar obligations - continued

The major categories of scheme assets as amounts of total scheme assets are as follows:

	Defined benefit pension plans	
	31/8/22	31/8/21
	£	£
Equities	7,061,760	6,548,330
Bonds	1,569,280	1,752,370
Property	882,720	645,610
Cash	294,240	276,690
	<u>9,808,000</u>	<u>9,223,000</u>

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	31/8/22	31/8/21
Discount rate	4.25%	1.65%
Future salary increases	3.45%	3.30%
Future pension increases	3.05%	2.90%

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

Retiring today		
Males	21.2	21.4
Females	23.8	24
Retiring in 20 years		
Males	22.2	22.5
Females	25.5	25.7

Sensitivity analysis

	31/8/22	31/8/21
	£	£
Discount rate +0.1%	(294,000)	(544,000)
Discount rate -0.1%	294,000	544,000
Mortality assumption - 1 year increase	481,000	805,000
Mortality assumption - 1 year decrease	(481,000)	(805,000)
CPI rate +0.1%	266,000	469,000
CPI rate -0.1%	(266,000)	(469,000)

City Learning Trust

**Notes to the Financial Statements - continued
for the Year Ended 31st August 2022**

19. Long-term commitments, including operating leases

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

	31/8/22	31/8/21
	£	£
Within one year	25,994	81,546
Between one and five years	<u>4,039</u>	<u>35,926</u>
	<u>30,033</u>	<u>117,472</u>

20. Related party disclosures

No related party transactions took place in the period of account, other than certain trustees' remuneration already disclosed in note 8.

21. Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the year end 31st August 2022 the trust received £13,810 (2021: £18,442) and disbursed £13,810 (2021: £18,442) from the fund. At the year end there were no amounts of undistributed funds repayable to the ESFA.

22. Reconciliation of net expenditure to net cash flow from operating activities

	31/8/22	31/8/21
	£	£
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(1,768,678)	(1,395,602)
Adjustments for:		
Depreciation charges	988,910	1,013,682
Capital grants from DfE/ESFA	(55,155)	(62,712)
Interest received	(219)	(45)
Decrease/(increase) in debtors	215,191	(188,207)
(Decrease)/increase in creditors	(511,583)	823,183
Difference between pension charge and cash contributions	<u>1,036,000</u>	<u>666,000</u>
Net cash (used in)/provided by operations	<u>(95,534)</u>	<u>856,299</u>

23. Analysis of changes in net funds

	At 1/9/21	Cash flow	At 31/8/22
	£	£	£
Net cash			
Cash at bank and in hand	<u>1,997,391</u>	<u>(272,366)</u>	<u>1,725,025</u>
	<u>1,997,391</u>	<u>(272,366)</u>	<u>1,725,025</u>
Total	<u>1,997,391</u>	<u>(272,366)</u>	<u>1,725,025</u>