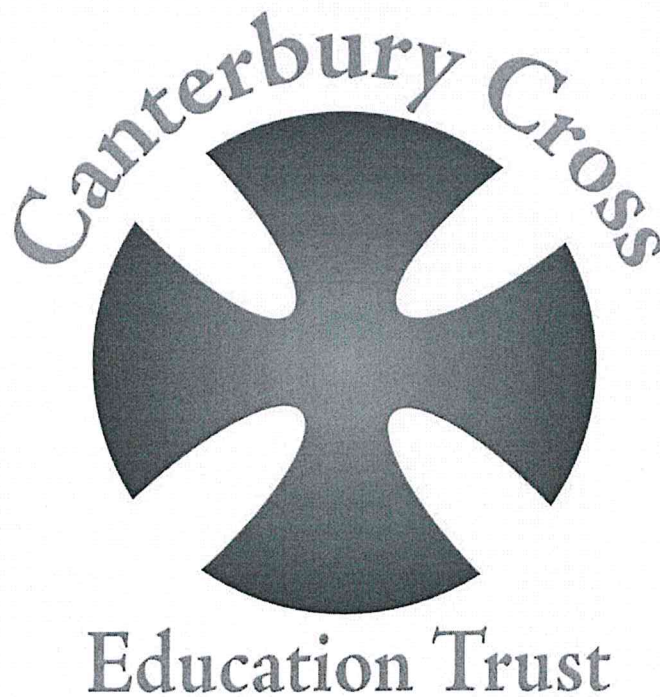


**Canterbury Cross Education Trust**

**(A Company Limited by Guarantee)**

**Annual Report and Financial Statements  
Period 1<sup>st</sup> September 2021 to 31<sup>st</sup> August 2022**

Company Registration Number  
10509300 (England and Wales)



**Canterbury Cross Education Trust  
Canterbury Road  
Birchfield  
Birmingham  
B20 3AA**

**Canterbury Cross Education Trust  
(A Company Limited by Guarantee)**

**Report and Financial Statements  
Period 1<sup>st</sup> September 2021 to 31 August 2022**

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**Canterbury Cross Education Trust  
(A Company Limited by Guarantee)**

**Reference and Administrative Details**

Members	<b>Members name</b> Imran Rashid Imran Mogra Roy Fackrell	<b>Appointment date</b> 01/09/2021 01/02/2017 12/02/2018	<b>Resignation date</b>
Trustees	<b>Position</b> Chair Executive Principal Director of Schools Improvement Director of finance Director Director  Director Director Director	<b>Trustees name</b> Imran Mogra Khalid Din Nadeem Bhatti  Nasmeen Rahman Mohammed Ali Saleha Panchbhaya Safraz Patel Rahana Begum Zaahirah Khalfey	<b>Appointment date</b> 01/02/2017 01/02/2017 01/02/2017  01/12/2021 01/02/2017 02/12/2021  02/12/2021 27/05/2022 06/12/2021
Company secretary	Alison King-Harmes		
Senior management team			
<ul style="list-style-type: none"> <li>• Head teacher</li> <li>• Deputy Head teacher</li> <li>• Deputy Head teacher</li> </ul>			Khalid Din Clare James Saubia Nawaz
Company name	Canterbury Cross Education Trust		
Principal and registered office	Canterbury Cross Primary School Canterbury Road Birchfield Birmingham B20 3AA		
Company registration number	10509300		
Independent auditor	Feltons 8 Sovereign Court 8 Graham Street Birmingham B1 3JR		
Bankers	Lloyds Bank Units 2 & 3 Caxton Gate 36/38 New Street Birmingham West Midlands B2 4LP		
Solicitors	Browne Jacobson Victoria house Victoria Square Birmingham B2 4BU Telephone: 0121 237 3900		

## **Canterbury Cross Education Trust (A Company Limited by Guarantee)**

### **Trustees' report**

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2021 to 31<sup>st</sup> August 2022. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

The trust operates an academy for pupils aged 3 to 11 serving a catchment area in Birmingham It has a pupil capacity of 498 and had a roll of 481 in the school census on 6<sup>th</sup> October 2022.

### **Structure, Governance and Management**

#### **Constitution**

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of Canterbury Cross Education Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as Canterbury Cross Education Trust.

Details of the trustees who served during the period are included in the reference and administrative details on page 1.

#### **Conversion to academy trust**

The company was incorporated at Companies House on 2<sup>nd</sup> December 2016. The signed commercial transfer agreement was dated 11th January 2017 with an academy conversion date of 1<sup>st</sup> February 2017.

#### **Members' liability**

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

#### **Trustees' indemnities**

In accordance with normal commercial practice, the academy has purchased insurance to protect trustees' and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £10,000,000 on any one claim.

#### **Method of recruitment and appointment or election of Trustees**

Trustees are recruited by members who determine the recruitment requirements, initiate the process and select the trustee. The members ensure skills and experience of potential candidates are matched to the requirements of the board.

## **Canterbury Cross Education Trust (A Company Limited by Guarantee)**

### **Trustees report (continued)**

#### **Method of recruitment and appointment or election of Trustees: 1/02/2017**

The selection procedures for the original trustees were as follows: a skills matrix was used to determine expertise by all interested parties; a number of potential candidates were presented to the DfE; they carried out due diligence tests and approved the trustees and members of The Canterbury Cross Education Trust.

#### **Policies and procedures adopted for the induction and training of Trustees**

New Trustees are invited to meet with the Clerk and the Chair of Trustees prior to their first meeting. The trust has subscribed to the NGA and Local Authority School and Governor Support who provide induction training for new Trustees and further specific training that can be selected according to needs. The Governing body has a Service Level Agreement with School and Governing support to provide training, advice and support to the board of trustees. It also has bought a trustee training package with S4S.

#### **Organisational structure**

The Board of Trustees assumes full responsibility for overseeing the strategic direction of the Multi-Academy Trust. The Trustees are accountable for the entire business of the MAT. Each school within the MAT will have a local governing body that has responsibility for the quality of teaching and learning, standards and safeguarding. Although the Board of Trustees will have overall control of the MAT, it is important that at the local level, schools have autonomy in these areas. Such local governance will include holding the school to account, challenging and supporting and reporting back to the trust board.

#### **Arrangements for setting pay and remuneration for key management personnel**

Pay and remuneration for senior management personnel is set by the Trust Board, taking independent professional advice where necessary. Pay for the CEO is subject to the School Teachers Pay and Conditions Document.

#### **Related parties and other Connected Charities and Organisations**

*At present there are no members of Canterbury Cross Education Trust Board that have any related party interests.*

#### **School Values and Curriculum Statement of Intent (Aims and Objectives)**

We use our Values of SHARE (Safety, Health and Happiness, Achieve and Enjoy, Respect and Equality) to promote positive attitudes to learning which reflect the values and skills needed to promote responsibility for learning and future success. We want our children to develop as independent, confident, successful learners with high aspirations who make positive contributions, in wider society.

At Canterbury Cross Primary School, the curriculum is designed to ensure ALL pupils achieve their full potential. Our learners are enthusiastic; they enjoy coming to school. Our schemes of work are personalised using the national curriculum content, we reflect the content and challenge of the connected curriculum integrated into the school values of SHARE (Safety, Health and Happiness, Achieve and Enjoy, Respect and Equality). Our curriculum incorporates the learning and emotional needs of the pupils in our school. We believe our curriculum is exciting and inspires children to nurture their enthusiasm for learning.

The most-able are challenged to expand their knowledge and skills; those who find learning more difficult are supported to catch up quickly, and those with specific needs are helped to achieve their individual targets. We ensure this by systematically giving pupils the pre-requisite knowledge to access an age appropriate full curriculum.

## **Canterbury Cross Education Trust (A Company Limited by Guarantee)**

### **Trustees report (continued)**

The Curriculum is designed with a focus on pupil knowledge and understanding, so all pupils are able to apply their learning across the curriculum. A primary focus of our curriculum is to raise aspirations, engender a sense of personal pride in achievement, provide a purpose and relevance for learning and ultimately to help every student to find strengths and interests. We sequence groups of lessons, building upon children's prior learning, so they can connect their knowledge and become resilient thinkers.

Subject leaders play an important part in the success of the curriculum; they are lead practitioners, who develop subject content, support teachers, review and monitor the curriculum and continuously self-evaluate. Teachers and support staff receive regular Continuous Professional Development across all areas of the curriculum. As a result of this, they are best prepared to provide outstanding curriculum provision. Developing the holistic child is of upmost importance and, with this in mind, we offer a broad and balanced curriculum, which encompasses academic subjects, Sport, Music, Art and PHSE Education.

Pupils leave Canterbury Cross, with a sense of belonging to a tightly knit community. They are confident learners who achieve their potential, and are fully equipped to access the secondary curriculum. We are particularly proud of the respect and care that our children show for one another, the environment and the community around them, as well as their fundamental belief in equality for all. Canterbury Cross ensures our pupils are well prepared for life in modern Britain.

To ensure the objectives in School Values and Curriculum Statement of are met, Canterbury Cross Education Trust has and will continue to focus on:

- The development of the skills of trustees and senior leaders so they are able to identify priorities and eliminate barriers.
- An organisational culture that commits to pupil and staff well-being at all levels.
- A trust that had developed a reputation for innovation and enterprise.
- A commitment to continued professional development; staff accountability through performance management targets and adherence to the school INTENT statement.
- The development of central support expertise to build further capacity and excellence.

### **Public benefit**

In setting our objectives and planning our activities, the board of trustees has given careful consideration to the general guidance on public benefit published by the Charity Commission on their website at [www.gov.uk/topic/running-charity/managing-charity](http://www.gov.uk/topic/running-charity/managing-charity) in exercising their powers or duties.

Canterbury Cross Education Trust is an equal opportunity employer, and strives to give full and fair consideration to all applicants for employment, training and promotions, irrespective of disability, gender, race, colour or sexual orientation.

### **Strategic Report**

The strategic aims of Canterbury Cross are to continue to provide a full and balanced curriculum to all pupils. This is in accordance with the funding agreement between Canterbury Cross Education Trust and the Department for Education (DfE).

### School Improvement Plan

The School Improvement Plan (SIP) is a combination of recovery priorities post pandemic; further improvement against previous OFSTED targets and school identified improvement areas. The emphasis will continue to be on: pupil well-being; attention to improving handwriting; teaching and assessment of foundation subjects; mastery teaching with a focus on higher writers and lower readers, and refining specialised provision for children with specialist needs

**Canterbury Cross Education Trust  
(A Company Limited by Guarantee)**

**Trustees report (continued)**

Achievements and Performance

**2022 Reception Statutory Assessments**

GOOD LEVEL OF DEVELOPMENT	55%
---------------------------	-----

**2022 Key Stage 1 SATs**

	% Academy Expected +
Reading Expected +	55%
Writing Expected +	47%
Maths Expected +	63%
Science Expected	57%
Reading Writing and Mathematics	47%
Reading Writing and Mathematics ( <b>Greater depth</b> )	0%

**2022 Key Stage 2 SATs**

	% Academy Expected +	% Academy Greater Depth
Reading	70%	31%
Writing	64%	0%
SPAG	79%	43%
Maths	72%	18%
Reading Writing and Maths	56%	0%
Science	79%	NA

**Going concern**

After making appropriate enquiries, the board of trustees has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

**Financial Review**

**Reserves Policy**

The trustees continually monitor the reserves of the charitable company. This process encompasses the nature of income and expenditure streams and the need to match commitments with income and nature of reserves.

**Canterbury Cross Education Trust  
(A Company Limited by Guarantee)**

**Trustees report (continued)**

The academy's 'free' reserves are its funds after excluding restricted funds. 'Reserves' are therefore the resources the academy has or can make available to spend for any or all of the academy's purposes once it has met its commitments and covered its other planned expenditure. More specifically 'free reserves' represent income to the academy which is to be spent at the trustee's discretion in furtherance of any of the academy's objects but which is not yet spent, committed or designated.

The Trustees review the reserve levels of the academy annually. This review encompasses the nature of income and expenditure streams. The trustees will ensure that an appropriate level of free reserves will be maintained across the MAT. This is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance.

It is the board of trustees' general policy to continue to build reserves which can be used for future educational purposes.

The academy had total funds at 31 August 2022 of £3,929,063 which included £318,249 restricted funds not available for general purposes of the academy trust, £235,740 of free reserves defined as unrestricted funds available for general purposes and £4,652,074 which can only be realised by the disposal of tangible fixed assets.

The balance on restricted general funds (excluding pension reserve) plus the balance on unrestricted funds was a surplus of £553,989.

In addition, the deficit on the restricted pension fund of £1,277,000 arises from an actuarial deficit on the local government pension scheme which will be dealt with as advised by the actuary.

**Principal funding**

Most of the academy's income is obtained from the EFA in the form of recurrent grants, the use of which is restricted for particular purposes. The grants received from the EFA during the year ended 31<sup>st</sup> August 2022 and the associated expenditure are shown as restricted funds in the statement of financial activities.

**Investment Policy**

There are no investments in place at present. All monies are currently in a deposit account.

**Principal Risks and Uncertainties**

The trustees have considered the major risks and uncertainties facing the charitable company which include changes in legislation and regulations and cash flow management and have put in place procedures to deal with these matters.

Attention has also been focussed on non-financial risks arising from fire, health and safety. These risks are managed by ensuring accreditation is up to date, having robust policies in place, and regular awareness training for staff working in these operational areas.



**Canterbury Cross Education Trust  
(A Company Limited by Guarantee)**

**Trustees report (continued)**

The academy's exposure to risk is largely bank balances, cash and trade creditors, with limited trade debtors. The trust is satisfied that systems and procedures are in place to mitigate the academy's exposure to the major risks.

The academy has inherited the local government defined benefit pension scheme deficit for associate staff which increased during the year as advised by Barnett Waddingham, the pension actuarial experts.

The Academy has a risk register that is due for annual review by the Trustees. The register records the risks that have been identified and the control measures it has implemented. The statement of internal control is considered annually.

**Auditor**

Insofar as the Trustees are aware:

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

Trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 5 December 2022 and signed on the board's behalf by:

.......... Mr Imran Mogra - Chair of Trustees

**Canterbury Cross Education Trust  
(A Company Limited by Guarantee)**

**Governance statement**

**Scope of Responsibility**

As trustees, we acknowledge we have overall responsibility for ensuring that Canterbury Cross Education 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.

The board of trustees has delegated the day-to-day responsibility to the Head teacher, 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 Canterbury Cross Education Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

**Governance**

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The **board of trustees** has formally met 6 times during the period. Attendance during the period at meetings of the board of trustees was as follows: Due to COVID-19 the meetings have been held via Microsoft TEAMS.

<b>Trustee</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
Imran Mogra	6	6
Khalid Din	6	6
Nadeem Bhatti	4	6
Nasmeen Rahman	6	6
Mohammed Ali	6	6
Saleha Panchbhaya	6	6
Safraz Patel	5	6
Rahana Begum	1	6
Zaahirah Khalfey	4	4
Imran Rashid (member)	1	

## **Canterbury Cross Education Trust (A Company Limited by Guarantee)**

### **Governance statement (continued)**

#### **Review of value for money**

As accounting 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 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 available. The accounting officer for the academy trust has delivered improved value for money during the period by:

- Using in-house qualified employees to do electrical and building works
- 3 quotes on playground equipment purchase over the period
- Terminating contracts and self-managing
- Successful Grant application for Flat roof areas and skylights.

#### **The Purpose of the System of Internal Control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the Academy'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 Canterbury Cross Education Trust for the period to 31 August 2018 and up to the date of approval of the annual report and financial statements. An external provider: DRB produce a report termly, this is given to trustees.

#### **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 and managing the academy trust's significant risks that has been in place for the period to 31 August 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

#### **The Risk and Control Framework**

The academy'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: -

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the trustees, of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

**Canterbury Cross Education Trust  
(A Company Limited by Guarantee)**

**Governance statement (continued)**

The board of trustees has considered the need for a specific internal audit function and has decided to appoint an external auditor - DRB

DRB's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. In particular, the checks carried out in the current period include:

- testing of payroll systems
- testing of purchase systems
- testing of control accounts / bank reconciliations

On a termly basis, DRB reports to the board of trustees, on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

**Review of Effectiveness**

As accounting officer, Mr Din has responsibility for reviewing the effectiveness of the system of internal control. During the period in question, the review has been informed by:


- the work of the external auditor;
- the work of the managers within the academy trust, who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the board of trustees on 5 December 2022 and signed on its behalf by:



Mr Imran Mogra  
Chair of Trustees



Mr Khalid Din  
Accounting Officer


**Canterbury Cross Education Trust  
(A Company Limited by Guarantee)**

**Statement of regularity, propriety and compliance  
for the period ended 31 August 2022**

As accounting officer of Canterbury Cross Education 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 Academies 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 Academies 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 Khalid Din – Accounting Officer

5 December 2022

Canterbury Cross Education Trust  
(A Company Limited by Guarantee)

Statement of Trustees' responsibilities  
for the period ended 31 August 2022

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

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and 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 members of the board of trustees on 5 December 2022 and signed on its behalf by:



..... Mr Imran Mogra – Chair of Trustees

**Canterbury Cross Education Trust  
(A Company Limited by Guarantee)**

**Independent Auditor's Report on the Financial Statements to the Members of  
Canterbury Cross Education Trust**

**Opinion**

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

In our opinion the financial statements :

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2022, and of its incoming resources and application of resources, including its income and expenditure, for the period 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, the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's 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.

**Canterbury Cross Education Trust  
(A Company Limited by Guarantee)**

**Independent Auditor's Report on the Financial Statements to the Members of Canterbury Cross Education Trust  
(continued)**

**Other information**

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinion on other matter prescribed by the Companies Act 2006**

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

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the academy and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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

- adequate accounting records have not been kept, or
- 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.



**Canterbury Cross Education Trust  
(A Company Limited by Guarantee)**

**Independent Auditor's Report on the Financial Statements to the Members of Canterbury Cross Education Trust  
(continued)**

**Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement [set out on page 12], the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**Auditor's responsibilities for the audit of the financial statements**

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

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:

- We reviewed the academy's control and risk management procedures and planned our work based on our assessment of those controls and procedures;
- This review included an assessment of the risk of material misstatement due to errors, fraud and management override of controls for all material areas in the financial statements;
- We made enquiries of management and the academy's lawyers regarding any actual or potential litigation and/or claims;
- Financial statements disclosures were reviewed and checked for compliance with applicable laws;
- Detailed testing was conducted on balances and transactions including unusual items and those of individual significance to the financial statements;
- Data analytics were used in order to identify unusual or significant trends;
- Communications with management and those charged with governance regarding relevant matters was undertaken throughout the audit and on completion.

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

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

**Canterbury Cross Education Trust  
(A Company Limited by Guarantee)**

**Independent Auditor's Report on the Financial Statements to the Members of Canterbury Cross Education Trust**

**(continued)**

**Auditor's responsibilities for the audit of the financial statements (continued)**

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**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 charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the 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.



**David W Farnsworth FCA (Senior Statutory Auditor)**

For and on behalf of Feltons, Statutory Auditor  
8 Sovereign Court  
8 Graham Street  
Birmingham B1 3JR

6 December 2022

**Canterbury Cross Education Trust  
(A Company Limited by Guarantee)**

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

In accordance with the terms of our engagement letter dated 18 May 2017 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 Canterbury Cross Education Trust during the period 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**Respective responsibilities of Canterbury Cross Education Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Canterbury Cross Education Trust's funding agreement with the Secretary of State for Education dated 31 January 2017 and the Academies Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

**Approach**

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

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

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

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

The work undertaken to draw our conclusion includes :

- Consideration of the applicable legislation and the academy trust's funding agreement
- Review and evaluation of the academy trust's system of internal controls
- Examination and assessment of the Accounting Officer's statement on Regularity, Propriety and Compliance
- Examination, on a test basis, of third party evidence supporting income and expenditure
- Review of exceptional and unusual items

**Canterbury Cross Education Trust**  
**(A Company Limited by Guarantee)**

**Independent Reporting Accountant's Assurance Report on Regularity to Canterbury Cross Education Trust and the Education and Skills Funding Agency (continued)**

**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 1 September 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



**David W Farnsworth FCA (Reporting Accountant)**

For and on behalf of Feltons, Statutory Auditor

8 Sovereign Court

8 Graham Street

Birmingham B1 3JR

6 December 2022

Canterbury Cross Education Trust  
(A Company Limited by Guarantee)

Statement of financial activities for the year ended 31 August 2022  
(including income and expenditure account)

	Notes	Unrestricted funds £	Restricted pension fund £	Restricted general funds £	Restricted fixed asset funds £	Total 2021/22 £	Total 2020/21 £
<b>Income from :</b>							
Donations and capital grants	2	384	-	-	73,851	74,235	197,189
Charitable activities :	3						
Funding for the academy trust's educational operations		32,815	-	2,486,954	-	2,519,769	2,441,832
Other trading activities	4	-	-	-	-	-	1,000
Investments	5	75	-	-	-	75	62
<b>Total</b>		<b>33,274</b>	<b>-</b>	<b>2,486,954</b>	<b>73,851</b>	<b>2,594,079</b>	<b>2,640,083</b>
<b>Expenditure on :</b>							
Charitable activities:							
Academy trust educational operations	6, 7	33,274	151,000	2,439,693	127,206	2,751,173	2,517,750
<b>Total</b>		<b>33,274</b>	<b>151,000</b>	<b>2,439,693</b>	<b>127,206</b>	<b>2,751,173</b>	<b>2,517,750</b>
<b>Net income/(expenditure) before transfers</b>		<b>-</b>	<b>(151,000)</b>	<b>47,261</b>	<b>(53,355)</b>	<b>(157,094)</b>	<b>122,333</b>
Transfers between funds	14	-	-	(39,599)	39,599	-	-
<b>Net income/(expenditure) after transfers</b>		<b>-</b>	<b>(151,000)</b>	<b>7,662</b>	<b>(13,756)</b>	<b>(157,094)</b>	<b>122,333</b>
<b>Other recognised gains/(losses)</b>							
Actuarial gains/(losses) on defined benefit pension schemes	14, 23	-	2,264,000	-	-	2,264,000	(411,000)
<b>Net movement in funds</b>		<b>-</b>	<b>2,113,000</b>	<b>7,662</b>	<b>(13,756)</b>	<b>2,106,906</b>	<b>(288,667)</b>
<b>Reconciliation of funds</b>							
Total funds brought forward	14	235,740	(3,390,000)	310,587	4,665,830	1,822,157	2,110,824
<b>Total funds carried forward</b>		<b>235,740</b>	<b>(1,277,000)</b>	<b>318,249</b>	<b>4,652,074</b>	<b>3,929,063</b>	<b>1,822,157</b>

All of the Academy's activities derive from continuing operations during the above two financial periods.

Canterbury Cross Education Trust  
(A Company Limited by Guarantee)

Company number : 10509300  
Balance sheet as at 31 August 2022

	Notes	2022		2021	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	11		4,568,348		4,518,261
<b>Current assets</b>					
Debtors	12	122,435		350,698	
Cash at bank and in hand		<u>1,280,155</u>		<u>658,561</u>	
		1,402,590		1,009,259	
<b>Liabilities</b>					
Creditors: amounts falling due within one year	13(a)	<u>754,239</u>		<u>304,727</u>	
<b>Net current assets</b>			648,351		704,532
<b>Total assets less current liabilities</b>			<u>5,216,699</u>		<u>5,222,793</u>
Creditors: amounts falling due after more than one year	13(b)		(10,636)		(10,636)
<b>Net assets excluding pension liability</b>			<u>5,206,063</u>		<u>5,212,157</u>
Defined benefit pension scheme liability	23		(1,277,000)		(3,390,000)
<b>Total net assets</b>			<u><u>3,929,063</u></u>		<u><u>1,822,157</u></u>
<b>Funds of the academy trust :</b>					
<b>Restricted funds</b>					
Fixed asset fund	14	4,652,074		4,665,830	
Restricted income fund	14	318,249		310,587	
Pension reserve	14	<u>(1,277,000)</u>		<u>(3,390,000)</u>	
<b>Total restricted funds</b>			3,693,323		1,586,417
<b>Unrestricted income funds</b>	14		235,740		235,740
<b>Total funds</b>			<u><u>3,929,063</u></u>		<u><u>1,822,157</u></u>

The financial statements on pages 19 to 40 were approved by the trustees, and authorised for issue on 5 December 2022 and are signed on their behalf by:

.....  ..... Mr Imran Mogra - Chair of Trustees

**Canterbury Cross Education Trust**  
**(A Company Limited by Guarantee)**

**Statement of cash flows for the year ended 31 August 2022**

	<b>Notes</b>	<b>2021/22</b>	<b>2020/21</b>
		<b>£</b>	<b>£</b>
<b>Cash flows from operating activities</b>			
Net cash provided by / (used in) operating activities	18	724,961	(185,923)
<b>Cash flows from investing activities</b>	19	(103,367)	170,450
<b>Change in cash and cash equivalents in the reporting period</b>		<hr/>	<hr/>
		621,594	(15,473)
Cash and cash equivalents at 1 September 2021		658,561	674,034
<b>Cash and cash equivalents at 31 August 2022</b>	20	<hr/>	<hr/>
		1,280,155	658,561

**Canterbury Cross Education Trust**  
**(A Company Limited by Guarantee)**

**Notes to the financial statements for the year ended 31 August 2022**

**1. Accounting policies**

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

**1.1 Basis of preparation**

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

**1.2 Going concern**

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the 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.

**1.3 Income**

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

- **Grants**

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the 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.

- **Donations**

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



**Canterbury Cross Education Trust  
(A Company Limited by Guarantee)**

**Notes to the financial statements for the year ended 31 August 2022 (continued)**

**1. Accounting policies (continued)**

**1.3 Income (continued)**

- **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.
- **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 'Stocks' 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.

**1.4 Expenditure**

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

- **Expenditure on raising funds**  
This includes all expenditure incurred by the academy trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.
- **Charitable activities**  
These are costs incurred on the academy trust's educational operations, including support costs and costs relating to the governance of the academy trust apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

**Canterbury Cross Education Trust  
(A Company Limited by Guarantee)**

**Notes to the financial statements for the year ended 31 August 2022 (continued)**

**1. Accounting policies (continued)**

**1.5 Tangible fixed assets**

Assets costing £750 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Long leasehold buildings	- straight line over 50 years
Furniture and equipment	- 20% straight line
Computer hardware	- 25% straight line
Motor vehicles	- 20% straight line

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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.

**1.6 Debtors**

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

**1.7 Cash at bank and in hand**

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

**1.8 Liabilities**

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

**Canterbury Cross Education Trust**  
**(A Company Limited by Guarantee)**

**Notes to the financial statements for the year ended 31 August 2022 (continued)**

**1. Accounting policies (continued)**

**1.9 Leased assets**

Rentals under operating leases are charged on a straight line basis over the lease term.

**1.10 Financial instruments**

The academy trust only holds basic financial instruments as defined by 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. 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. 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.

**1.11 Taxation**

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

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

**1.12 Pension 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 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. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

**Canterbury Cross Education Trust  
(A Company Limited by Guarantee)**

**Notes to the financial statements for the year ended 31 August 2022 (continued)**

**1. Accounting policies (continued)**

**1.12 Pension benefits (continued)**

The LGPS is a funded multi-employer 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 net income/(expenditure) 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.

**1.13 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 and Skills Funding Agency or Department for Education.

**1.14 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.

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 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Canterbury Cross Education Trust  
(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 31 August 2022 (continued)

2. Donations and capital grants

	Unrestricted funds £	Restricted general fund £	Restricted fixed asset funds £	2021/22 Total £	2020/21 Total £
Capital grants	-	-	73,851	73,851	174,311
Donated fixed assets	-	-	-	-	22,878
Other donations	384	-	-	384	-
	<u>384</u>	<u>-</u>	<u>73,851</u>	<u>74,235</u>	<u>197,189</u>
<b>2021 total</b>	<u>-</u>	<u>-</u>	<u>197,189</u>	<u>197,189</u>	

3. Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted general fund £	Restricted fixed asset funds £	2021/22 Total £	2020/21 Total £
<b>DfE/ESFA grants</b>					
General Annual Grant (GAG)	-	1,934,021	-	1,934,021	1,852,498
Other DfE Group grants					
UIFSM	-	54,243	-	54,243	55,353
Pupil premium	-	189,388	-	189,388	183,368
Teachers pension	-	9,728	-	9,728	64,061
Teachers pay	-	1,215	-	1,215	22,672
Others	-	63,787	-	63,787	24,190
	<u>-</u>	<u>2,252,382</u>	<u>-</u>	<u>2,252,382</u>	<u>2,202,142</u>
<b>Other government grants</b>					
Local authority grants	-	214,707	-	214,707	187,350
	<u>-</u>	<u>214,707</u>	<u>-</u>	<u>214,707</u>	<u>187,350</u>
<b>Other income from the academy trust's educational operations</b>	32,815	-	-	32,815	17,625
<b>Covid-19 additional funding (DfE/ESFA)</b>					
Recovery/Catch-up premium	-	19,865	-	19,865	33,680
Other DfE/ESFA Covid-19 funding	-	-	-	-	1,035
	<u>32,815</u>	<u>234,572</u>	<u>-</u>	<u>267,387</u>	<u>239,690</u>
	<u>32,815</u>	<u>2,486,954</u>	<u>-</u>	<u>2,519,769</u>	<u>2,441,832</u>
<b>2021 total</b>	<u>17,625</u>	<u>2,424,207</u>	<u>-</u>	<u>2,441,832</u>	

Canterbury Cross Education Trust  
(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 31 August 2022 (continued)

4. Other trading activities

	Unrestricted funds £	Restricted funds £	2021/22 Total £	2020/21 Total £
Hire of facilities	-	-	-	1,000
<b>2021 total</b>	<u>1,000</u>	<u>-</u>	<u>1,000</u>	

5. Investment income

	Unrestricted funds £	Restricted funds £	2021/22 Total £	2020/21 Total £
Short term deposits	75	-	75	62
<b>2021 total</b>	<u>62</u>	<u>-</u>	<u>62</u>	

6. Expenditure

	Staff costs £	Non pay expenditure		2021/22 Total £	2020/21 Total £
		Premises £	Other £		
Academy's educational operations					
Direct costs	1,562,803	61,837	143,323	1,767,963	1,626,328
Allocated support costs	548,593	165,378	269,239	983,210	891,422
	<u>2,111,396</u>	<u>227,215</u>	<u>412,562</u>	<u>2,751,173</u>	<u>2,517,750</u>
<b>2021 total</b>	<u>1,957,726</u>	<u>246,365</u>	<u>313,659</u>	<u>2,517,750</u>	

Net income/(expenditure) for the period includes :

		2021/22 £	2020/21 £
Operating leases	- plant and machinery	2,864	2,864
Depreciation		127,206	139,523
Fees payable to auditor	- audit	<u>9,400</u>	<u>9,150</u>

**Canterbury Cross Education Trust  
(A Company Limited by Guarantee)**

**Notes to the financial statements for the year ended 31 August 2022 (continued)**

**7. Charitable activities**

	Unrestricted funds £	Restricted pension fund £	Other restricted funds £	2021/22 Total £	2020/21 Total £
<b>Educational operations</b>					
Direct costs					
Educational operations	6,354	-	1,761,609	1,767,963	1,626,328
Support costs					
Educational operations	26,920	151,000	805,290	983,210	891,422
	<u>33,274</u>	<u>151,000</u>	<u>2,566,899</u>	<u>2,751,173</u>	<u>2,517,750</u>
<b>2021 total</b>	<u>18,687</u>	<u>107,000</u>	<u>2,392,063</u>	<u>2,517,750</u>	

	Educational operations £	2021/22 Total £	2020/21 Total £
<b>Analysis of support costs</b>			
Support staff costs	548,593	548,593	490,601
Depreciation	65,369	65,369	68,721
Premises costs	102,873	102,873	109,706
Other support costs	254,860	254,860	210,794
Governance costs	11,515	11,515	11,600
<b>Total support costs</b>	<u>983,210</u>	<u>983,210</u>	<u>891,422</u>
<b>2021 total</b>	<u>891,422</u>	<u>891,422</u>	

**8. Staff**

**a) Staff costs**

Staff costs during the period were:

	2021/22 £	2020/21 £
Wages and salaries	1,281,726	1,239,722
Social security costs	121,054	112,376
Pension costs	519,005	468,705
	<u>1,921,785</u>	<u>1,820,803</u>
Agency staff costs	189,611	136,923
	<u>2,111,396</u>	<u>1,957,726</u>

**Canterbury Cross Education Trust**  
**(A Company Limited by Guarantee)**

**Notes to the financial statements for the year ended 31 August 2022 (continued)**

**8. Staff (continued)**

**b) Staff numbers**

The average number of persons employed by the academy during the year was as follows:

	2021/22 Number	2020/21 Number
Teachers	18	17
Administration and support	51	47
Management	3	3
	<u>72</u>	<u>67</u>

**c) Higher paid staff**

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

	2021/22 Number	2020/21 Number
£90,001 - £100,000	<u>1</u>	<u>1</u>

**d) Key management personnel**

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £280,139 (2021: £306,144).

**9. Related Party Transactions - Trustees' remuneration and expenses**

One or more trustees has been paid remuneration or has received other benefits from employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment.

The value of trustees' remuneration and other benefits was as follows :

Khalid Din (principal and trustee)	
Remuneration	£90,000 - £95,000 (2021 : £90,000 - £95,000)
Employer's pension contributions paid	£20,000 - £25,000 (2021 : £20,000 - £25,000)

There were no travel and subsistence expenses paid to any trustee of Canterbury Cross Education Trust during the current or previous year.

Other related party transactions involving the trustees are set out in note 24.



**Canterbury Cross Education Trust  
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**Notes to the financial statements for the year ended 31 August 2022 (continued)**

**10. Trustees' and officers' insurance**

The academy trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the RPA scheme.

**11. Tangible fixed assets**

	Leasehold land and buildings £	Furniture and equipment £	Computer hardware £	Motor vehicles £	Total £
<b>Cost or valuation</b>					
At 1 September 2021	4,859,479	44,030	131,219	5,500	5,040,228
Additions	165,223	1,900	10,170	-	177,293
At 31 August 2022	<u>5,024,702</u>	<u>45,930</u>	<u>141,389</u>	<u>5,500</u>	<u>5,217,521</u>
<b>Depreciation</b>					
At 1 September 2021	397,492	31,974	87,299	5,202	521,967
Charge for the year	97,190	7,111	22,607	298	127,206
At 31 August 2022	<u>494,682</u>	<u>39,085</u>	<u>109,906</u>	<u>5,500</u>	<u>649,173</u>
<b>Net book values</b>					
At 31 August 2022	<u>4,530,020</u>	<u>6,845</u>	<u>31,483</u>	<u>-</u>	<u>4,568,348</u>
At 31 August 2021	<u>4,461,987</u>	<u>12,056</u>	<u>43,920</u>	<u>298</u>	<u>4,518,261</u>

Included within leasehold land and buildings are assets under the course of construction totalling £59,785 (2021 : £5,375). No depreciation was charged on these assets during the year.

**12. Debtors**

	2022 £	2021 £
Debtors from operations	-	2,115
VAT recoverable	28,394	61,403
Prepayments and accrued income	94,041	287,180
	<u>122,435</u>	<u>350,698</u>

**Canterbury Cross Education Trust  
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**Notes to the financial statements for the year ended 31 August 2022 (continued)**

**13. Creditors**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>(a) Amounts falling due within one year :</b>		
Creditors from operations	20,381	-
Accruals and deferred income	173,459	165,976
Loans	1,520	1,520
Other creditors	558,879	137,231
	<u>754,239</u>	<u>304,727</u>

Included in other creditors are amounts of £539,596 due to Birmingham City Council for payroll costs which they have not drawn down and the trust held sufficient funds for the payment of these creditors. These have been paid off after the year end.

**Deferred income**

Deferred income at 1 September 2021	32,290	37,347
Resources deferred in the year	32,187	32,290
Amounts released from previous years	(32,290)	(37,347)
Deferred income at 31 August 2022	<u>32,187</u>	<u>32,290</u>

At the balance sheet date the academy trust was holding funds received in advance for universal infant free school meals.

**(b) Amounts falling due after more than one year :**

Loans	10,636	10,636
	<u>10,636</u>	<u>10,636</u>

Loans represent a loan from the ESFA of £10,636 (2021 : £10,636) which is repayable over 8 years and provided interest free. The amount repayable over 5 years is £4,556 (2021 : £4,556). The amount repayable under one year is shown in note 13(a).

Canterbury Cross Education Trust  
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Notes to the financial statements for the year ended 31 August 2022 (continued)

14. Funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2022 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	310,587	1,934,021	(1,886,760)	(39,599)	318,249
UIFSM	-	54,243	(54,243)	-	-
Pupil premium	-	189,388	(189,388)	-	-
Recovery premium	-	19,865	(19,865)	-	-
Other grants	-	289,437	(289,437)	-	-
	<u>310,587</u>	<u>2,486,954</u>	<u>(2,439,693)</u>	<u>(39,599)</u>	<u>318,249</u>
<b>Restricted fixed asset funds</b>					
Transfer on conversion	3,792,774	-	(84,859)	-	3,707,915
DfE Group capital grants	760,274	73,851	(32,573)	-	801,552
Capital expenditure from GAG	91,304	-	(8,763)	39,599	122,140
Donations	21,478	-	(1,011)	-	20,467
	<u>4,665,830</u>	<u>73,851</u>	<u>(127,206)</u>	<u>39,599</u>	<u>4,652,074</u>
<b>Pension reserve</b>	<u>(3,390,000)</u>	<u>-</u>	<u>(151,000)</u>	<u>2,264,000</u>	<u>(1,277,000)</u>
<b>Total restricted funds</b>	<u>1,586,417</u>	<u>2,560,805</u>	<u>(2,717,899)</u>	<u>2,264,000</u>	<u>3,693,323</u>
<b>Unrestricted funds</b>					
Other income	235,740	33,274	(33,274)	-	235,740
<b>Total unrestricted funds</b>	<u>235,740</u>	<u>33,274</u>	<u>(33,274)</u>	<u>-</u>	<u>235,740</u>
<b>Total funds</b>	<u>1,822,157</u>	<u>2,594,079</u>	<u>(2,751,173)</u>	<u>2,264,000</u>	<u>3,929,063</u>

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

**Restricted general funds**

These comprise all restricted funds other than restricted fixed asset funds and include grants from The Education and Skills Funding Agency and Birmingham City Council.

The academy trust is not subject to GAG carried forward limits.

**Unrestricted funds**

These comprise resources that may be used towards meeting any of the charitable objects of the academy trust at the discretion of the trustees.

**Restricted fixed asset funds**

These comprise resources which are to be applied to specific capital purposes imposed by The Education and Skills Funding Agency and Birmingham City Council where the asset acquired or created is held for a specific purpose.

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Notes to the financial statements for the year ended 31 August 2022 (continued)

14. Funds (continued)

Comparative information in respect of the preceding period is as follows :

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2021 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	128,257	1,852,498	(1,680,831)	10,663	310,587
UIFSM	-	55,353	(55,353)	-	-
Pupil premium	-	183,368	(183,368)	-	-
Catch up premium	-	33,680	(33,680)	-	-
Other DfE/ESFA Covid-19 funding	-	1,035	(1,035)	-	-
Other grants	-	298,273	(298,273)	-	-
	<u>128,257</u>	<u>2,424,207</u>	<u>(2,252,540)</u>	<u>10,663</u>	<u>310,587</u>
<b>Restricted fixed asset funds</b>					
Transfer on conversion	3,885,178	-	(92,404)	-	3,792,774
DfE Group capital grants	623,633	174,311	(37,670)	-	760,274
Capital expenditure from GAG	110,016	-	(8,049)	(10,663)	91,304
Donations	-	22,878	(1,400)	-	21,478
	<u>4,618,827</u>	<u>197,189</u>	<u>(139,523)</u>	<u>(10,663)</u>	<u>4,665,830</u>
<b>Pension reserve</b>	<u>(2,872,000)</u>	<u>-</u>	<u>(107,000)</u>	<u>(411,000)</u>	<u>(3,390,000)</u>
<b>Total restricted funds</b>	<u>1,875,084</u>	<u>2,621,396</u>	<u>(2,499,063)</u>	<u>(411,000)</u>	<u>1,586,417</u>
<b>Unrestricted funds</b>					
Other income	<u>235,740</u>	<u>18,687</u>	<u>(18,687)</u>	<u>-</u>	<u>235,740</u>
<b>Total unrestricted funds</b>	<u>235,740</u>	<u>18,687</u>	<u>(18,687)</u>	<u>-</u>	<u>235,740</u>
<b>Total funds</b>	<u>2,110,824</u>	<u>2,640,083</u>	<u>(2,517,750)</u>	<u>(411,000)</u>	<u>1,822,157</u>

15. Analysis of net assets between funds

Fund balances at 31 August 2022  
are represented by:

	Unrestricted funds £	Restricted pension funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	-	4,568,348	4,568,348
Current assets	235,740	-	1,070,968	95,882	1,402,590
Current liabilities	-	-	(752,719)	(1,520)	(754,239)
	<u>235,740</u>	<u>-</u>	<u>318,249</u>	<u>4,662,710</u>	<u>5,216,699</u>
Creditors due after one year	-	-	-	(10,636)	(10,636)
Pension scheme liability	-	(1,277,000)	-	-	(1,277,000)
<b>Total net assets</b>	<u>235,740</u>	<u>(1,277,000)</u>	<u>318,249</u>	<u>4,652,074</u>	<u>3,929,063</u>

**Canterbury Cross Education Trust**  
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**Notes to the financial statements for the year ended 31 August 2022 (continued)**

**15. Analysis of net assets between funds (continued)**

Comparative information in respect of the preceding period is as follows :	<b>Unrestricted funds</b>	<b>Restricted pension funds</b>	<b>Restricted general funds</b>	<b>Restricted fixed asset funds</b>	<b>Total funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Tangible fixed assets	-	-	-	4,518,261	4,518,261
Current assets	235,740	-	613,794	159,725	1,009,259
Current liabilities	-	-	(303,207)	(1,520)	(304,727)
	<u>235,740</u>	<u>-</u>	<u>310,587</u>	<u>4,676,466</u>	<u>5,222,793</u>
Creditors due after one year	-	-	-	(10,636)	(10,636)
Pension scheme liability	-	(3,390,000)	-	-	(3,390,000)
<b>Total net assets</b>	<u>235,740</u>	<u>(3,390,000)</u>	<u>310,587</u>	<u>4,665,830</u>	<u>1,822,157</u>

**16. Capital commitments**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Contracted for but not provided in the financial statements	<u>105,000</u>	<u>160,000</u>

**17. Commitments under operating leases**

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

	<b>Total 2022</b>	<b>Total 2021</b>
	<b>£</b>	<b>£</b>
Amounts due within one year	836	2,864
Amounts due between one and five years	-	836
	<u>836</u>	<u>3,700</u>

**18. Reconciliation of net income/(expenditure) to net cash flow from operating activities**

	<b>2021/22</b>	<b>2020/21</b>
	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
Net income/(expenditure) for reporting period (as per the SoFA)	(157,094)	122,333
Adjusted for :		
Depreciation (note 11)	127,206	139,523
Capital grants from DfE and other capital income	(73,851)	(174,311)
Donated fixed assets	-	(22,878)
Interest receivable (note 5)	(75)	(62)
Defined benefit pension scheme cost less contributions payable (note 23)	94,000	61,000
Defined benefit pension scheme finance cost (note 23)	57,000	46,000
Decrease / (increase) in debtors	228,263	(222,601)
Increase / (decrease) in creditors	449,512	(134,927)
<b>Net cash provided by / (used in) operating activities</b>	<u>724,961</u>	<u>(185,923)</u>

**Canterbury Cross Education Trust  
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**Notes to the financial statements for the year ended 31 August 2022 (continued)**

**19. Cash flows from investing activities**

	2021/22 Total £	2020/21 Total £
Interest received	75	62
Purchase of tangible fixed assets	(177,293)	(3,923)
Capital grants from DfE Group	73,851	174,311
<b>Net cash (used in) / provided by investing activities</b>	<u>(103,367)</u>	<u>170,450</u>

**20. Analysis of cash and cash equivalents**

	At 31 August 2022 £	At 31 August 2021 £
Cash at bank and in hand	1,280,155	658,561
	<u>1,280,155</u>	<u>658,561</u>

**21. Analysis of changes in net debt**

	At 31 August 2021 £	Cash flows £	Other non-cash changes £	At 31 August 2022 £
Cash at bank and in hand	658,561	621,594	-	1,280,155
Loans falling due within one year	(1,520)	-	-	(1,520)
Loans falling due after more than one year	(10,636)	-	-	(10,636)
	<u>646,405</u>	<u>621,594</u>	<u>-</u>	<u>1,267,999</u>

**22. Members' liability**

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

**23. Pension and similar obligations**

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

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

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

**Notes to the financial statements for the year ended 31 August 2022 (continued)**

**23. Pension and similar obligations (continued)**

**Teachers' Pension Scheme**

**Introduction**

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 four years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are :

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

The next valuation is due to be implemented from 1 April 2024.

The employer's pension costs paid to TPS in the year amounted to £174,713 (2021 : £172,661).

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.

**Canterbury Cross Education Trust  
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**Notes to the financial statements for the year ended 31 August 2022 (continued)**

**23. 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 31 August 2022 was £218,000 (2021 : £211,000), of which employer's contributions totalled £191,000 (2021 : £183,000) and employees' contributions totalled £27,000 (2021 : £28,000). The agreed contribution rates for future years are awaiting confirmation from the actuary for employers and between 5.5% and 6.8% for employees.

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

The trustees have agreed that the trust will make additional contributions in addition to normal funding levels over the next 28 years.

**Principal actuarial assumptions**

	<b>At 31 August 2022</b>	<b>At 31 August 2021</b>
Rate of increase in salaries	4.05%	3.85%
Rate of increase for pensions in payment / inflation	3.05%	2.85%
Discount rate for scheme liabilities	4.25%	1.65%
Inflation assumption (CPI)	3.05%	2.85%
Commutation of pensions to lump sums	50.00%	50.00%

**Sensitivity analysis**

	<b>At 31 August 2022 £'000s</b>	<b>At 31 August 2021 £'000s</b>
Discount rate +0.1%	(70)	(126)
Discount rate -0.1%	70	130
Mortality assumption 1 year increase	109	197
Mortality assumption 1 year decrease	(109)	(189)
CPI rate +0.1%	51	102
CPI rate -0.1%	(51)	(99)

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

	<b>At 31 August 2022</b>	<b>At 31 August 2021</b>
Retiring today		
Males	21.2	21.6
Females	23.6	24.0
Retiring in 20 years		
Males	22.9	23.4
Females	25.4	25.8



**Canterbury Cross Education Trust  
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**Notes to the financial statements for the year ended 31 August 2022 (continued)**

**23. Pension and similar obligations (continued)**

**Local Government Pension Scheme (continued)**

The academy trust's share of the assets in the scheme was :

	<b>31 August 2022</b>	<b>31 August 2021</b>
	<b>£</b>	<b>£</b>
Equities	977,000	789,000
Bonds	306,000	186,000
Property	117,000	91,000
Cash and other liquid assets	58,000	48,000
Other	-	181,000
<b>Total market value of assets</b>	<b><u>1,458,000</u></b>	<b><u>1,295,000</u></b>

The actual negative return on scheme assets was 3.3% (2021 : £178,000).

	<b>2021/22</b>	<b>2020/21</b>
	<b>£</b>	<b>£</b>
<b>Amount recognised in the statement of financial activities</b>		
Current service cost	285,000	244,000
Interest income	(23,000)	(17,000)
Interest cost	80,000	63,000
<b>Total amount recognised in the SoFA</b>	<b><u>342,000</u></b>	<b><u>290,000</u></b>

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

	<b>2021/22</b>	<b>2020/21</b>
	<b>£</b>	<b>£</b>
At 1 September 2021	4,685,000	3,788,000
Current service cost	285,000	244,000
Interest cost	80,000	63,000
Employee contributions	27,000	28,000
Actuarial gains/(losses) - financial assumptions	(2,320,000)	676,000
Actuarial gains/(losses) - demographic assumptions	(14,000)	(56,000)
Actuarial gains/(losses) - experience gains/losses	5,000	(48,000)
Benefits paid	(13,000)	(10,000)
<b>At 31 August 2022</b>	<b><u>2,735,000</u></b>	<b><u>4,685,000</u></b>

**Canterbury Cross Education Trust  
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**Notes to the financial statements for the year ended 31 August 2022 (continued)**

**23. Pension and similar obligations (continued)**

**Local Government Pension Scheme (continued)**

**Changes in the fair value of academy's share of scheme assets were as follows :**

	2021/22 £	2020/21 £
At 1 September 2021	1,295,000	916,000
Interest income	23,000	17,000
Return on assets less interest	(65,000)	161,000
Employer contributions	191,000	183,000
Employee contributions	27,000	28,000
Benefits paid net of transfers in	(13,000)	(10,000)
<b>At 31 August 2022</b>	<u>1,458,000</u>	<u>1,295,000</u>
<b>Net pension scheme liability</b>	<u>(1,277,000)</u>	<u>(3,390,000)</u>

**24. Related party transactions**

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest.

The following related party transaction(s) took place during the previous period:

Expenditure related party transaction

**Now Education Limited**

Company in which trustee Mr Marc Ashford is a director (resigned as a trustee on 7/12/20)

Services charged by related company during the period

2022 £	2021 £
-	6,104

The academy trust made the purchase at arm's length following a competitive tendering exercise in accordance with its financial regulations, which Marc Ashford neither participated in nor influenced. In entering into the transaction, the academy trust has complied with the requirements of the Academies Trust Handbook 2020.