Company registration number 07338707 (England and Wales)

THE CHARTER SCHOOLS EDUCATIONAL TRUST

(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2024

THE CHARTER SCHOOLS EDUCATIONAL TRUST

CONTENTS

	Page
Reference and administrative details	1 - 2
Trustees' report	3 - 13
Governance statement	14 - 20
Statement on regularity, propriety and compliance	21
Statement of Trustees' responsibilities	22
Independent auditor's report on the accounts	23 - 25
Independent reporting accountant's report on regularity	26 - 27
Statement of financial activities including income and expenditure account	28 - 29
Balance sheet	30
Statement of cash flows	31
Notes to the accounts including accounting policies	32 - 57

THE CHARTER SCHOOLS EDUCATIONAL TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Members	
	E Amadi MVO
	S Bowler
	E Brown
	M Gibbs CBE
	S Russell
Trustees	J Godfrey (Resigned 31 March 2024)
	C Buchanan (Accounting officer)
	C Maugham (Co-Chair) (Resigned 31 March 2024)
	K Robinson
	J Slater (Chair)
	C Wren
	A Mavolwane Wright
	H Gough
	M Deutz (Resigned 17 October 2023)
	L Lartey (Appointed 1 September 2023)
	L Balan
	R Wood (Appointed 2 September 2024)
	J Faulkner (Appointed 15 April 2024)
	D Allan (Appointed 15 April 2024)
Senior management team	
- CEO	C Buchanan
- CFO (resigned 29 February 2024)	G Griffith
- CFO (appointed 2 March 2024 to 31 August 2024)	L Brooks
- CFO (appointed 1 September 2024)	A Lynn
- Director of Operations	S Varcoe
- Director of People	B Barrett
- Director of Secondary Education	G Phillips
- Director of Primmary Education	L Ellis
Company secretary	S Varcoe
Company registration number	07338707 (England and Wales)
Registered office	The Charter School North Dulwich
	Red Post Hill
	North Dulwich
	London
	SE24 9JH

THE CHARTER SCHOOLS EDUCATIONAL TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Academies operated	Location	Head Teacher
The Charter School North Dulwich	Southwark	M Pain
The Charter School East Dulwich	Southwark	A Harbottle
Charles Dickens Primary School	Southwark	M Eggleton
Dulwich Hamlet Junior School	Southwark	C Purcell
The Belham Primary School	Southwark	A Sprakes
Lyndhurst Primary School	Southwark	T Turnham
Streatham Wells Primary School	Lambeth	S Wordlaw
The Charter School Bermondsey	Southwark	M Huntley
Loughborough Primary School	Lambeth	G Williams
The Charter Institute	Southwark	

Independent auditor

Azets
First Floor
River House
1 Maidstone Road
Sidcup
Kent
DA14 5RH
United Kingdom

Bankers

Royal Bank of Scotland plc
Sheffield Attercliffe Branch
747 Attercliffe Road
Sheffield
South Yorkshire
S9 3RF
United Kingdom

THE CHARTER SCHOOLS EDUCATIONAL TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2024

The Trustees present their annual report together with the accounts and auditor's report of the charitable company for the year 1 September 2023 to 31 August 2024. The annual report serves the purposes of both a trustees' report, and a directors' report and strategic report under company law.

The multi academy trust now operates three inclusive secondary schools, two of which have 6th Form provision, four primary schools, three with an attached nursery, and one junior school. The majority serve the London borough of Southwark apart from one primary school which is in the London Borough of Lambeth.

- The Charter School North Dulwich had a roll number of 1319 (capacity 1284)
- The Charter School East Dulwich had a roll number of 1260 in the school (capacity of 1680)*
- The Charter School Bermondsey had a roll number of 444 in the school (capacity of 550)**
- Charles Dickens Primary School had a roll number of 422 in the school (capacity 420) and 41 in its nursery provision
- The Belham Primary School had a roll number of 407 in the school (capacity of 420)
- Lyndhurst Primary School had a roll number of 397 in the school (capacity 420) and 39 in its nursery provision
- Dulwich Hamlet Junior School had a roll number of 359 (capacity of 360)
- Streatham Wells Primary School had a roll number of 221 in the school (capacity 210) and 22 in its nursery provision

*The Charter School East Dulwich is not yet at full capacity as the Phase 2 of the new school build is not due for completion until early 2025, following extended delays due to the pandemic.

** The Charter School Bermondsey is not yet at full capacity as they only took occupation of their new school building in January 2024, again following extended delays.

Looking forward the Trust will be welcoming Loughborough Primary School in Lambeth into the Trust in October 2024.

Structure, governance and management

Constitution

The charitable company is known as The Charter Schools Educational Trust. The Charter Schools Educational Trust is a company limited by guarantee with no share capital (registration no. 07338707) which was incorporated on 6 August 2010. The Trust is an exempt charity and is regulated by the Department for Education (DfE).

The Trust's memorandum and articles of association are the primary governing documents. Members of the charitable company are nominated by their peers. The articles of association require the members of the company to appoint at least one Trustee to be responsible for the affairs of the charitable company.

The principal goal of The Charter Schools Educational Trust is to advance, for the public benefit, education in the United Kingdom by establishing and running schools that serve the needs of their local communities.

The charitable company receives funding under the terms of its Funding Agreement entered into with the Secretary of State for Education.

The Trustees of The Charter Schools Educational Trust are also the directors of the charitable company for the purposes of company law. Details of the Trustees who served during the year are included in the Reference and Administrative Details on page 1.

Members' liability

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

Method of recruitment and appointment or election of Trustees

In line with the articles of association, the number of Trustees shall be not less than three but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum. “Trustees” means the directors of the Trust (and “Trustee” means any one of those directors), subject to the definition of this term as set out in the articles. Up to six Trustees are appointed by the Members, and up to five Trustees can be co-opted by the Member appointed Trustees. The CEO is also appointed as a Trustee.

There are no elected parent Trustees on the Board as the Trust has local governing bodies in each school and each of these has, as part of its constitution, two elected parent governors and two elected staff governors.

Trustees are appointed based upon the contribution they can make to the development and success of the Trust and its schools. The Trust considers the balance of skills and expertise as well as considering the diversity of the Board when making appointments and the Trust Board undertakes a skills audit and annual self-review annually to help inform recruitment.

The Trust uses a variety of available channels for attracting new trustees, including in-house marketing via our websites, newsletters and social media channels, personal networks and any available recruitment services such as those provided by Governors for Schools and Inspiring Governance. However, it should be noted that the DfE has recently withdrawn funding from these platforms and the Inspiring Governance platform has since been shut down.

Policies and procedures adopted for the induction and training of Trustees

There is a rigorous process for recruitment with appropriate vetting, and skills requirements for the board are carefully considered. The training and induction provided for new Trustees depends on their existing experience. The Trust has adopted a common policy for the induction and training of both Trustees and Local Governors who sit on the local governing bodies. Training is provided by a mix of in house and by external agencies. Trustees and Governors are signposted to policies, procedures, minutes and accounts that they will need to undertake their role. In addition, the Trust subscribes to several professional organisations which give Trustees and Governors a wealth of up-to-date guidance and support. This includes membership of the National Governance Association (NGA) and the Confederation of School Trusts (CST).

All Trustees are aware of their role and duties as company directors and charity trustees. This is in line with the Companies Act 2006 and all have accessed information from the Charity Commission guidance CC3 “The essential trustee: what you need to know, what you need to do”. All trustees are also aware of the requirements of the Academies Trust Handbook and are advised of any changes annually and the schedule of ‘musts’ annually.

Trustee training provided by the NGA and the Confederation of School Trusts has also been made available, as well as bespoke training sessions provided in-house. Trustees are required to complete safeguarding training as part of their induction and then as an annual update throughout their term of office.

Trustees and Local Governors

The Charter Schools Educational Trust is the body legally responsible for the operation of each school within the group. The Trustees are listed in this report. The Trust’s articles of association and funding agreements together with the scheme of delegation form the basis of how each school is governed.

The Trust's schools each have a local governing body (LGB), the remit of which is to support the Trust Board with the oversight and scrutiny of pupil achievement, safeguarding, SEND and stakeholder engagement. The roles and responsibilities of the LGB is defined within the Trust Scheme of Delegation.

The Trust also has committees for finance, audit and risk, standards and People and Pay, each with their own delegated responsibilities.

During the year under review, the Trustees held seven full Board meetings and additional strategy day. Additionally, Trustees and Local Governors have regularly visit the schools in person as part of their scrutiny and oversight activities. In order to ensure good communication between the various layers of governance, Trustees may attend school LGB meetings across the Trust and we operate a termly Chairs’ Forum where the Chair of the Trust and the LGB Chairs can meet to discuss any issues in person.

We continued to realise the benefits of virtual meeting technology to support Trustee and Governor attendance at committee meetings and training sessions.

Organisational structure

In accordance with the funding agreement with the Education Funding & Skills Agency (ESFA), an agency of the DfE, the Trustees have made governance arrangements as described above. The Trustees are responsible for ensuring that high standards of corporate governance are maintained.

Trustees are responsible for setting general policy, adopting an annual strategic plan and setting the annual budget. They exercise their powers and functions with a view to fulfilling a largely strategic leadership role in the running of the schools, addressing such matters as:

- Setting the overall Trust Mission, Vision, and Values
- Assessing and managing risk across the Trust
- Agreeing the Trust's Development Plan and KPIs
- Ensuring compliance with legal requirements under Company and Charity law
- Ensuring sound financial management and administration
- Establishing and maintaining effective internal controls
- The management of all resources including estates
- The monitoring of educational standards
- Ensuring compliance with the Trust's responsibilities in respect of Safeguarding, SEND, Data Protection and Health and Safety
- Helping the schools to be responsive to the needs of parents, carers and our communities

The Trust Board had the following committees in place during the year in question:

- Finance and Audit & Risk – Statutory combined committee (Trust income below £50m) which met seven times, plus two extraordinary meetings.
- People and Pay Committee –which met three times (once per term)
- Standards Committee – which met three times (once per term)

The Board's committee structure is reviewed each year, and each committee has agreed terms of reference.

The Trust also ensures that each school has an effective Local Governing Body in place, which includes up to two elected parent governors and up to two elected staff governors. The Trustees delegate defined responsibilities for the oversight of each school to the Local Governing Body (LGB) as defined in the Trust Scheme of Delegation. The Headteacher of each school is a member of the LGB, ex officio.
The Trust Executive Team consists of the CEO, the CFO, the Director of Operations, the Director of People and the two directors of education (Primary and Secondary). Together they lead on the strategic operation of the Trust and its schools by implementing the policies laid down by Trustees and reporting back to them regularly.

The Headteachers across the Trust are responsible for the day-to-day operation of their schools including the management of their allocated school budgets, the appointment of staff in their respective schools and the management of safeguarding and SEND provision in their settings.

Arrangements for setting pay and remuneration of key management personnel

The Trust has a pay committee in place with appropriate policies and Terms of Reference in place. The pay of the Headteachers, and Trust executives including the CEO of the Trust is determined by the Trust Board in the Autumn Term. The Trust Pay Committee make recommendations for ratification by the Trust Board.

Related parties and other connected charities and organisations

There are no organisations that directly sponsor The Charter Schools Educational Trust. Individual schools within the Trust may have PTA organisations which are registered as charities and operated separately from the Trust.

Transactions with connected organisations during the year under review have been disclosed in note 24, related party transactions. This note to the financial statements provides disclosure of related party transactions that took place in the period of account in addition to certain trustee's remuneration and expenses as disclosed in note 12.

Objectives and activities

Objects and aims

The principal object and activity of the charitable company is the operation of non-selective schools to advance, for the public benefit, the outcomes of all its pupils between the ages of 3 and 19.

The Trustees confirm they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Schools' aims and objectives.

Objectives, strategies and activities

The Trust's mission is to build better futures for children and young people. Our work will improve the lives of children and young people, now and in the long term.

The Trust's strategic aims are:

Schools that excel

- All our pupils achieve higher outcomes than national comparators and have the knowledge, skills and confidence to succeed at the next stage of their educational journey
- Greatest support for those pupils who need it most
- Commitment to continuous improvement
- Evidence-informed teaching within a powerful knowledge curriculum
- Deliberate and proactive teaching of positive behaviours
- Broad and rich opportunities for pupils to develop creativity through learning about and participation in the arts
- Promoting leadership and community service for all pupils
- Families valued as partners.

People that inspire

- A clear talent-management strategy for all roles
- Trust-wide career development programme
- An employer of choice in South London
- Developing leaders who reflect the diversity of our community
- A sector leader for staff wellbeing
- A successful Teaching School Hub and EEF Research School.

Partnerships that make a difference

- Mobilising evidence-informed knowledge of 'what works'
- Working together to improve outcomes for all our pupils
- Sharing strong practice and resources
- Promoting innovation in our schools
- Amplifying our learning to improve the sector

Public benefit

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

Strategic report

Achievements and performance

The 2023-2024 academic year has been a significant period of progress for The Charter Schools Educational Trust, as we continued to pursue high educational standards across our eight schools and prepared for the addition of **Loughborough Primary School** in October 2024, expanding our Trust community to nine schools. Throughout this year, we remained steadfast in our mission: *Better Futures for Children and Young People*.

Professional Development

A central theme this year has been our commitment to continuous professional development. We introduced innovative training programs, such as the **Charter Professional Qualification for Teaching Assistants (CPQTA)** and the **Charter Lead Practitioner Programme**, which have greatly contributed to staff development. These initiatives not only enhance individual skills but also promote a culture of excellence across our Trust. Feedback from participants indicates significant positive impacts on practice, which ultimately benefit our students' educational experiences.

The **Teaching School Hub** has been instrumental in advancing professional standards, training over 625 Early Career Teachers and overseeing the probation of 412 teachers. This work, now a responsibility of Teaching Schools, aligns with our mission to build a robust educational workforce equipped to support student achievement across the Trust.

Academic Performance and Enrichment

This year's performance highlights the progress made across our primary and secondary schools. Primary outcomes demonstrated strength across the board, surpassing national averages in core subjects:

- **Reading**: 86% of students achieved the Expected Standard (EXS) compared to the national average of 74%.
- **Maths**: 82% achieved EXS, with 41% reaching Greater Depth Standard (GDS), significantly higher than the national average of 23%.
- **Writing**: 84% achieved EXS, and 35% achieved GDS.

Secondary outcomes remained strong, with **Charter North Dulwich** and **Charter East Dulwich** students achieving notable Progress 8 scores. North Dulwich, in particular, achieved a +0.78, highlighting the positive value added through our educational approaches. However, reducing the attainment gap for disadvantaged students remains a priority for the Trust, with targeted support planned to address this gap in the coming year.

Enrichment initiatives across the Trust added further depth to the student experience. The **Stock Market Challenge** at Charter North Dulwich, cultural exchanges at **Charles Dickens Primary**, and student participation in competitions such as the BBC 500 Words and the Song Academy Young Songwriter of the Year illustrated the breadth of opportunities provided across our schools. These experiences contribute to developing well-rounded students who are prepared for future opportunities and challenges.

Inspections and School Improvement

Trust schools received positive recognition from Ofsted and external reviewers:

- **The Charter School East Dulwich** was highly commended for its ambitious and well-sequenced curriculum, particularly in enrichment and SEND provision. The school received an ungraded inspection with an acknowledgement that it may be evaluated as outstanding in the next graded inspection.
- **The Belham Primary School** was evaluated positively in an ungraded inspection, following substantial progress in areas such as behaviour, culture, and curriculum delivery.
- **Lyndhurst Primary School** has shown sustained improvement, particularly in behaviour and curriculum implementation, due to targeted support that will continue in the upcoming year.

Our **Pupil Premium Project** has been a key initiative in driving educational equity. By understanding the unique needs of our students and adapting our approaches accordingly, we are making strides toward closing the achievement gap, ensuring that each student has the support needed to reach their potential.

Progress Against Strategic Objectives

Our objectives for 2024, outlined in the Trust Development Plan, prioritize strengthening governance, enhancing financial sustainability, and improving student outcomes. Key achievements this year include:

- **School Improvement**: Challenge Partners' reviews underscored positive developments in behaviour and culture across schools, particularly at The Charter School North Dulwich, The Belham Primary and Lyndhurst Primary.
- **Financial Control**: Strengthened oversight and monthly controls have improved the Trust's financial controls at school level, enabling efficient resource allocation and this will be built upon over the coming year. We have also initiated a centralised HR and contract management structure, which will continue to be developed next year.
- **Estates and Infrastructure**: Key upgrades, including wireless network improvements, roof repairs, and playground resurfacing, were implemented across primary schools. Planned works for North Dulwich, Dulwich Hamlet, and Streatham Wells will further support safe and stimulating learning environments.

Looking Forward

In the coming year, we will continue our focus on narrowing attainment gaps, enhancing financial efficiencies, and building collaborative networks across our schools. The addition of Loughborough Primary School represents a new chapter in our Trust's development, and we are prepared to meet this opportunity with a commitment to delivering high standards of education across all our communities in South East London.

Going concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, the Board of Trustees continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

Financial review

The Trust has the following financial objectives:

- To generate sufficient levels of income to support the operations and asset base of the Trust schools;
- To ensure the charitable company sets a budget that provides sufficient and targeted resources to achieve the highest possible standards of educational attainment in the schools;
- To achieve an annual operating surplus at the Trust level;
- To use the pupil premium effectively to raise standards for all pupils in this category and to address any gaps in the achievement of these pupils when compared to that of their peers'
- To ensure there is sufficient capital expenditure to develop the charitable company's sites and environments to meet the challenges of teaching and learning in the 21st century; and
- To allocate carried forward funds for continued capital investment in order to improve achievement as its schools.

Sound financial control is ensured by the structure of governance including the Scheme of Delegation and committee terms of reference.

In the year ended 31 August 2024 the trust incurred the following surpluses / (deficits) before transfers on its key funds :-

Unrestricted Funds		Restricted General Funds		Restricted Fixed Asset Funds	
2024	2023	2024	2023	2024	2023
£2,122k	£2,146k	(£2,634k)	(£2,483k)	£21,290k	£10,463k

After transactions between funds and recognised gains / (losses) on the defined benefit pension scheme the Trust held the following funds as at 31 August 2024:-

Unrestricted Funds		Restricted General Funds (including pension liability)		Restricted Fixed Asset Funds	
2024	2023	2024	2023	2024	2023
£363k	£1,274k	(£159k)	(£1.0m)	£212.7m	£191.5m

The majority of the charitable company's income for the year ended 31 August 2024 was obtained from the ESFA in the form of a general annual grant (GAG) and other grants. This income totalled £38.5m (2023: £31.4m) and represents 83% (2023: 83%) of the total income received in the year if assets and liabilities donated on conversion are excluded from total income.

During the year ended 31 August 2024, total expenditure of £49.0m (2023: £40.86m) was not fully covered by recurrent grant funding from the ESFA together with income from other sources.

The total charge relating to the pension liability of (£293k) (2023: £315k) and expenditure on the fixed asset fund of £3,186k (2023: £1,467k) relating to the annual depreciation charge contributed to a surplus of £20,778k (2023: surplus £10,126k). The excess of expenditure over income for the year (excluding restricted fixed asset fund and before transfers between funds) was £0.5m (2023: £0.3m)

At 31 August 2024 the net book value of fixed assets was £212.7m (2023: £191.5m) and movements in tangible fixed assets are shown in note 13 to the financial statements. The assets were used exclusively for providing education and the associated support services to the students of the Trust.

Reserves policy

The Trustees have agreed, in line with Department for Education expectations, to raise its revenue reserves target to 5%, £2.25m, of the total income of the Trust to mitigate the risk of future income reduction and increased expenditure, and to provide funds to support the growth and development of the Trust.

The key financial risks for The Charter Schools Educational Trust are a reduction to future income due to Government funding changes and/or falling pupil roll, or delays in receipt of grant funding, and an increase in expenditure caused by increases in public sector pay and pension costs.

The Trustees and the executive management team are acutely aware of the need to balance financial prudence with maintaining the top-quality education The Charter Schools Educational Trust prides itself on.

The total reserves as at 31 August 2024 amounted to £213.1m (2023: £191.8m) which comprised primarily of restricted fixed asset reserves. The unrestricted reserves amounted to £363k (2023: £1,274k).

The charitable company has a pension scheme liability of £159k (2023: £1m) as at 31 August 2024 which is included in the restricted reserves. The disclosure does not mean that the liability is already committed and is no longer available to the Trustees to further the charitable company's objectives. Parliament has agreed, at the request of the Secretary of State for Education, in the event of academy closure, outstanding Local Government Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013. In the short term, the cash flow impact of having a pension scheme liability may be that employer contributions may increase in order to reduce the liability. The Trust will always pay the employer contribution rates set by the pension scheme administrators.

Investment policy

The Trust has procedures in place to regularly monitor cash flow and current account balances to ensure immediate financial commitments can be met (payroll and payments runs) and that the current account has adequate balances to meet forthcoming commitments. In practice, a working balance of one month's payroll costs will be maintained.

The Trust will normally seek to avoid its current account going overdrawn and will identify funds surplus to immediate cash requirements. The surplus funds are transferred to the charitable company's deposit account (for the time being) which bears a higher interest rate. The investment policy restricts future long-term deposits from exceeding £500k with an individual banking institution.

The Trust's current policy is to only invest funds in immediately accessible deposit accounts. Rates of return on investments are reviewed and alternative strategies considered at least annually.

The Trust Board will review annually any change in policy.

Principal risks and uncertainties

The Trustees have identified and assessed the major risks to which the charitable company is exposed. Formal risk management processes have been designed and implemented to mitigate those risks, including the provision of appropriate insurances, suitable financial procedures and other policies and procedures.

Financial and risk management objectives and policies

The Trustees have considered the risks and uncertainties faced by the Trust. These include: the risks posed by reductions in government funding and increasing costs; any and all risks to the reputation of the schools operated by the Trust; and the operational risks associated with the delayed delivery of the second phase of The Charter School East Dulwich site. There is also the additional financial risk linked to the operation of a Teaching School Hub and EEF Research School where the income is primarily grant driven and revenue from participants on its training programmes.

There are also the additional operational risks linked to the agility of the Trust to scale and adapt operations to meet the needs and increased complexity of a larger school group to service and support. The Trust also must be mindful over the coming years of the risk of falls in pupil numbers in Trust schools as the demographic decline of school age children continues.

The steps taken by the Trust to mitigate these risks include:

- Strong governance with adherence to Academies Trust Handbook and guidance therein from the ESFA and supported by a planned programme of meetings.
- To ensure stability of financial plans comprehensive budgeting and monitoring systems take place with an annual budget and periodic financial performance against forecast and of major purchase plans.
- Capital work and expenditure programmes are also closely monitored
- The identification and management of risks with established risk registers at each school and a Trust-wide risk register being implemented and monitored regularly.
- The appointment of Southwark Council’s Regeneration – Capital Works department as delivery partner in respect of managing the building of The Charter School East Dulwich’s permanent buildings.
- The addition of the Accounting Officer to the steering groups related to the building of the The Charter School East Dulwich
- The centralisation of the finance operations to a Trust team based at the Trust registered offices and appointment of a new Chief Financial Officer from September 2024.

Sustainability

The charitable company is committed to sustainable development throughout all aspects of its operations. The charitable company will continue to strive to meet or exceed the Sustainable Development in Government targets. We have previously delivered capital projects to reduce energy consumption and improve the energy efficiency of our school estate. Capital projects included the installation of LED lighting in some schools, Solar Panels, single glazed window replacement and the replacement of a single loop heating system.

Streamlined energy and carbon reporting

Energy consumption	2024 kWh	2023 kWh
Aggregate of energy consumption in the year		
- Gas combustion	3,019,511	2,728,509
- Fuel consumed for transport	65,940	50,696
- Electricity purchased	1,820,177	1,928,573
	4,905,628	4,707,778

Emissions of CO2 equivalent	2024 metric tonnes	2023 metric tonnes
Scope 1 - direct emissions		
- Gas combustion	550.12	497.11
- Fuel consumed for owned transport	18.76	7.29
	568.88	504.40
Scope 2 - indirect emissions		
- Electricity purchased	348.04	368.76
Scope 3 - other indirect emissions		
- Fuel consumed for transport not owned by the Trust	-	-
Total gross emissions	916.92	873.16
Intensity ratio		
Tonnes CO2e per pupil	0.19	0.19

Quantification and reporting methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2024 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2 equivalent per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency

The Trust has established a sustainability team and all schools have individual nominated leads who together have been developing our sustainability strategy and moving towards net zero.

Our strategy incorporates three pillars:

- Agency
- Curriculum
- Estates

We have made strong progress under energy, we have co-created a calendar of sustainability anchor points what each school takes part in including ‘walk to school week’ and the ‘great big plastic count’. All our schools have adopted the eco-charter and there is ongoing work to promote the visibility of these values into everyday conversations in schools. All our schools now have eco-councils or green teams of pupils and students to promote sustainability and the calendar of events.

This year schools have collaborated to develop a model curriculum for history and geography which includes essential knowledge about the circular economy and carbon literacy. Alongside this, the Trust have partnered with UCL on incorporating sustainability and climate change into the whole curriculum around the themes of the United Nationals SDGs.

Each school has begun work on developing a wildlife habitat area in each school ground including plating trees, floors and food. All our schools now have an outdoor residential experience for pupils in addition to signposting pupils to our of school activities which take place outdoors. We have also worked successfully with our catering supplier, Olive Dining, to introduce a minimum of two ‘meat-free’ days into the school lunch menu for all our schools.

In Estates, we have already made significant investments in our estates to target energy reduction both now and in the future. Through effective use of our School Capital Allocation, Condition Improvement Fund and partnerships with SE24 to access public sector decarbonisation support, we have , Firstly, our capital expenditure has sought to address improvements in insulation and energy loss. Extensive repairs to primary school roofing in three schools will mitigate energy loss through.

We have continued to upgrade heating systems and this year the focus was on upgrading piping and heating at Lyndhurst Primary School. We have also carried out extensive feasibility studies of Streatham Wells Primary School and Lyndhurst Primary School to identify further opportunities for energy reduction through insulation, window replacement and heating system upgrades.

Plans for future periods

Our immediate priorities include delivering stable and sustainable finances with a particular focus operationally on the centralisation and improvement of HR services within the Trust. Educationally we are especially focussed on outcomes for students in receipt of pupil premium with targets to improve, actions to support any catch-up required and attention paid to persistent absence as well.

This work is propelled by our trust's growth aspirations within South London, our aim to work directly with more educators and have a positive impact on a broader range of pupils and students, especially those facing significant barriers to success. Ensuring high-quality, affordable, and sustainable services for our schools will be crucial to achieving this vision for pupils and students, considering the decreasing capacity of external support services.

We plan to build upon the strong foundations, with all our schools achieving 'good' or better ratings and the career development pathways supported by our Teaching School Hub and Charter Institute. In 2023/24, we established a DFE Stronger Practice Hub focused on extending our system improvement work to providers and settings working with children aged 0 – 3 years. We hope this work will continue to be supported Post March 2025.

Auditor

In so far 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.

A resolution proposing that Azets be reappointed as auditor of the charitable company will be put to the members.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 11 December 2024 and signed on its behalf by:

J Slater
Chair

THE CHARTER SCHOOLS EDUCATIONAL TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2024

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that The Charter Schools Educational 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 CEO, C Buchanan, 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 The Charter Schools Educational 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 Trust and its eight local governing bodies (LGBs) have a calendar of meetings agreed in advance and met at least four times during the accounting period. The Finance and Audit & Risk committee, the LGB's, and any other committees report back to the Trust Board. The responsibilities of the Trust and its committees are clearly set out in the Terms of Reference and the Trust's Scheme of Delegation.

The Board of Trustees has formally met seven times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustees	Meetings attended	Out of possible
J Godfrey (Resigned 31 March 2024)	4	5
C Buchanan (Accounting officer)	7	7
C Maugham (Co-Chair) (Resigned 31 March 2024)	3	5
K Robinson	6	7
J Slater (Chair)	7	7
C Wren	6	7
A Mavolwane Wright	1	2
H Gough	6	7
M Deutz (Resigned 17 October 2023)	1	1
L Lartey (Appointed 1 September 2023)	5	7
L Balan	6	7
R Wood (Appointed 2 September 2024)	0	0
J Faulkner (Appointed 15 April 2024)	1	2
D Allan (Appointed 15 April 2024)	1	2

The key change in board composition over the last year was:

- Martin Deutz stepped down as a trustee in October 2023
- John Godfrey stepped down as a Trustee in March 2024
- Claire Maugham stepped down as a Trustee in March 2023
- Lawrence Lartey was appointed as a Trustee in September 2023
- David Allan was appointed as a Trustee in April 2024
- Jon Faulkner was appointed as a Trustee in April 2024

During the year the Board have mainly been focussed on delivering the strategy. This has seen focus on:

- progressing the addition of Loughborough primary school into the Trust (achieved as at 1 October 2024),
- continuing to enhance professional development within the Trust (which includes hosting a Teaching School hub),
- driving the educational standards in our schools through school improvement especially assisting those receiving pupil premium.

Looking to improve the financial control and the delivery of key estates and infrastructure projects.

Conflicts of interest

The Trust maintains a register of Interest for Members, Trustees, Local Governors and any staff with budgetary responsibility and this is updated and confirmed regularly so that they can be monitored for potential conflicts on a continuous basis.

All new Trustees are advised that they will have to declare any interests and must read and sign the Trust's Governance Code of Conduct to confirm that they will always act in the best interests of the Trust and its schools at all times, and not act in the interest of, or as a representative of, any group or individual. Trustees must also declare any interest they may have in an item of business on the agenda and immediately remove themselves from the meeting while it is under discussion. Any conflict of interest will be declared at the start of any meeting, should the situation arise.

Governance reviews

The Trust Board has continued to ensure that the governance structure of the Trust is suitable for a growing MAT, which has clear lines of separation between its various governance layers, in line with the DfE's preference for best practice.

Trust Full Board meetings were held in person, with virtual meeting technology used to facilitate attendance of some trustees on the occasion that they could not attend in person. Some committee meetings continued to be held online as the advances in modern virtual meeting technology continues to facilitate improved attendance from volunteers as the number of meetings over the course of the year increased.

The Trust Director of Operations is responsible for leading on Governance and Compliance and is also the Company Secretary. They are supported by an experienced in-house Governance and Compliance manager and a specialist external clerk. Together their main responsibilities are to:

- Provide advice to the Trust board and its committees, including Local Governing Bodies, on governance, constitutional and procedural matters.
- Providing effective administrative support to Trust Members, the Trust Board, Local Governing Bodies and their committees.
- Ensure the Trust Board and all committees are properly constituted
- Manage information effectively in accordance with legal requirements under charity law and company law
- Coordinating Trust policies and ensure compliance across the Trust

Trustees and Local Governors have continued to attend regular training updates on key areas of governance throughout the year as provided by the in-House team, and a variety of paid for training services including from the Confederation of School Trusts (CST) and the National Governance Association. This offers flexibility for governance volunteers to accessing relevant training and encourages participation as we seek to update and increase Trustee and Governor skills and knowledge. All Trustees and Governors received updated Safeguarding and online safety training during the course of the year. All training is recorded, and additional training needs are identified via the annual skills audits for both the Trust Board and the local governing bodies.

The Trust carried out an external review of governance (ERG) in the summer of 2024 and the actions from this have been agreed by the board to be implemented with definite timelines. The external review was carried out by reviewers from the CST and was a full review into the effectiveness of the Trust's governance arrangements. The reviewer's findings were positive and the identified strengths included:

- an effective Trust Board that operates in an open and transparent manner and gives appropriate challenge and support to the CEO and Executive Leadership Team
- effective working relationships between the Trustees and the CEO and the Executive Leadership Team
- that the Trust Board has established and articulated a clear Trust vision, set of values and sense of purpose
- effective internal controls are in place
- strong risk management processes and reporting,
- strong safeguarding governance across the academies and the Trust,
- a strong positive commitment at all tiers of governance to doing the very best for young people

Trustees and Local Governors have continued to attend regular training updates on key areas of governance throughout the year as provided by the in-House team, and a variety of paid for training services including Southwark Governor Services, Judicium and the National Governance Association. This offers flexibility for governance volunteers to accessing relevant training and encourages participation as we seek to update and increase Trustee and Governor skills and knowledge. All Trustees and Governors received updated Safeguarding and online safety training during the course of the year. All training is recorded, and additional training needs are identified via the annual skills audits for both the Trust Board and the local governing bodies.

The Trust last carried out an external review of Governance in 2020 and the actions from this have been completed over the past three years, including a review of our governance roles, responsibilities and committee structure, and revised articles of association and reviewed and updated scheme of delegation. The next external review is planned for Spring 2024.

Both the Trust Board and Local Governing Bodies undertook a self-evaluation process in the summer term to ensure that they remain effective in ensuring that the Trust meets its core objectives to identify any skills gaps or training needs and to inform governance recruitment.

This year an area of focus has been around ensuring that the Local Governance layer has the right skills and expertise in place to support our schools, through careful and aligned recruitment practice and regular training on key aspects of governance responsibilities. The Trust also continues to work towards improving engagement with all its schools as the Trust grows, especially following the restrictions brought about by the two years of pandemic preventing as many in-person visits and meetings as would have been preferred.

Financial oversight

As part of its governance structure, the full Finance and Audit & Risk Committee met nine times last year. This committee has the delegated responsibility for the strategic oversight of the Trust's funds and risk management, including non-financial risks.

The Finance, Audit and Risk committee is a joint committee of the main board of trustees. The Finance and the Audit & Risk Committees are run as one committee as the Trusts annual turnover is less that £50m but this is kept under review this year should the Trust grow further. Its purpose is:

Financial policy and planning

- To review, adopt and monitor a Finance Policy which includes the local scheme of delegation for spending and budgetary adjustments (virements) for the committee, Trust executive team, headteacher and other nominated staff.
- To review, adopt and monitor all additional financial policies, including a charging and remissions policy.
- To review and maintain a three-year financial plan, taking into the account priorities of the Trust Development Plan, roll projection and signals from central government and (if applicable) the LA regarding future years' budgets, within the constraints of available information.
- To review and propose to the Trust Board for adoption an annual Trust budget considering the priorities of the Trust and School Development Plans.
- To ensure that sufficient funds are set aside for pay increments as set out in the Pay Policy and as recommended by the CEO/Headteachers and reviewed and approved by the Trust/Local Governing Body pay committees.

Financial monitoring

- To monitor the income and expenditure throughout the year of all delegated and devolved funds against the annual budget plan.
- To receive at least termly budget monitoring reports from the CFO.
- To report back to each meeting of Trust Board and to alert them of potential problems or significant anomalies at an early date.
- To approve the Trustees Report to form part of the Statutory Accounts of the Trust Board and for filing in accordance with Companies Act requirements.
- To receive auditors' reports and to recommend the Trust Board action as appropriate in response to audit findings.
- To recommend to the Trust Board and the Members the appointment or reappointment of the auditors

Audit and Risk

- To review the auditor's findings and actions taken by the Trust Executive Team in response to those findings.
- To produce an annual report of the committee's conclusions to advise the Trust Board and members.
- Has delegated responsibility on behalf of the Trust Board for examining and reviewing all systems and methods of control both financial and otherwise including risk analysis and risk management; and for ensuring the Trust is complying with the overall requirements for internal scrutiny, as specified in the Academies Trust Handbook.
- To conduct a regular review of the Trust risk register.
- To approve an annual programme of internal scrutiny / audit, which is objective and independent, covering systems, controls, transactions, and risks.
- To advise the Trust Board on the adequacy and effectiveness of the trust's systems of internal control, governance, and risk management processes.
- To considers the appropriateness of executive action following internal audit/internal scrutiny reviews and to advise the board on any additional or alternative steps to be taken.

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
C Buchanan (Accounting officer)	9	9
C Maugham (Co-Chair) (Resigned 31 March 2024)	4	5
K Robinson	8	9
J Slater (Chair)	6	9
C Wren	9	9
M Deutz (Resigned 17 October 2023)	2	2
L Balan	9	9
D Allan (Appointed 15 April 2024)	2	3

Review of value for money

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

The accounting officer considers how the 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 available. The accounting officer for the Trust has ensured that the Trust has delivered improved value for money during the year through:

- Providing school improvement support to all schools which ensured all outcomes and external evaluations were at least good overall
- Training teachers and leaders through the Early Career Framework and National Professional Qualifications which supports a more effective workforce and has supported the retention of talent alongside the ongoing embedding of the Trust's capacity to support flexible working to recruit and retain talent.
- Ensuring rigorous safeguarding standards across the Trust including aligned recording systems and training across the Trust.
- Improving the resilience of internal controls through the adoption of internal audit procedures
- Ensuring the embedding of the Trust reserves, pay, credit card use, and financial de-delegation policies as new schools have joined the Trust
- Consolidating major contracts including for HR (including payroll), Data protection, IT managed services and catering.
- Ensuring that estates capital projects are planned, prioritised according to greatest need, and coordinated across the Trust.

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 Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Charter Schools Educational Trust for the period 1 September 2023 to 31 August 2024 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Trust's significant risks that has been in place for the period 1 September 2023 to 31 August 2024 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the Board of Trustees.

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:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the Finance and Audit & Risk committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties alongside clear job descriptions for those in the business team;
- identification and management of risks.
- Internal audits and external reviews

The Trustees are aware of the need for a specific internal audit function, which is separate from the external audit function in line with the requirements of the Academies Trust Handbook 2023, and appointed TSO Education as internal auditor for 2023/24. The reports are received by the Finance and Audit & Risk Committee and reported as appropriate to the Trust.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Trust's financial systems. In particular the checks carried out in the current period included:

- Review of the Trust’s monthly finance closedown procedures
- Review of the Trust’s payroll system

The Trust can confirm the internal auditor has delivered their schedule of work as planned.

Additionally, the Trust carried out:

- An annual safeguarding audit at each school in the Trust.
- An external review of governance

The internal auditor for the finance close, payroll & safeguarding noted significant improvements in process along with suggestions to continue that improvement.

Of note would be that the Trust should, in keeping with the Trust Handbook be reporting a monthly balance sheet and cashflow.

The governance review was more a valuable part of an on going evolution of the governance as the Trust grows, highlighting particularly the need to continue down the path of operating as ‘One Trust’.

Review of effectiveness

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

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

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Finance and Audit & Risk Committee and will ensure continuous improvement of the system is in place.

Conclusion

Based on the advice of the audit and risk committee and the accounting officer, the Board of Trustees is of the opinion that the Trust has an adequate and effective framework for governance, risk management and control.

Approved by order of the Board of Trustees on 11 December 2024 and signed on its behalf by:

C Buchanan	J Slater
Accounting officer	**Chair**

THE CHARTER SCHOOLS EDUCATIONAL TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2024

As accounting officer of The Charter Schools Educational Trust, I have considered my responsibility to notify the 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, including for estates safety and management, under the funding agreement in place between the 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 2023, including responsibilities for estates safety and management.

I confirm that I and the Trust's Board of Trustees are able to identify any material irregular or improper use of funds by the Trust, or material non-compliance with the terms and conditions of funding under the Trust's funding agreement and the Academy Trust Handbook 2023.

I confirm that the following instances of material irregularity, impropriety or funding non-compliance discovered to date have been notified to the Board of Trustees and ESFA. If any instances are identified after the date of this statement, these will be notified to the Board of Trustees and ESFA:

During the year, although management accounts have been produced they did not include mandatory component elements being a balance sheet and a cashflow forecast.

During the year the academy trust purchased alcohol, amounting to £306.

C Buchanan
Accounting Officer

11 December 2024

THE CHARTER SCHOOLS EDUCATIONAL TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2024

The trustees (who are also the directors of The Charter Schools Educational Trust for the purposes of company law) are responsible for preparing the Trustees' report and the accounts in accordance with the Academies Accounts Direction 2023 to 2024 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 accounts for each financial year. Under company law, the Trustees must not approve the accounts 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 accounts, 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 2023 to 2024;
- 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 accounts; and
- prepare the accounts 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 accounts 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 that grants received from ESFA/DfE have been applied for the purposes intended.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

Approved by order of the members of the Board of Trustees on 11 December 2024 and signed on its behalf by:

J Slater
Chair

THE CHARTER SCHOOLS EDUCATIONAL TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CHARTER SCHOOLS EDUCATIONAL TRUST

FOR THE YEAR ENDED 31 AUGUST 2024

Opinion

We have audited the accounts of The Charter Schools Educational Trust for the year ended 31 August 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the accounts, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2023 to 2024 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2024 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 the Academies Accounts Direction 2023 to 2024.

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 accounts' section of our report. We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the accounts 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 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 other information comprises the information included in the annual report other than the accounts and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the accounts 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 accounts 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 accounts 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 Trustees' report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the Trustees' report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts 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 are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error. In preparing the accounts, the Trustees are responsible for assessing the 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 charitable company, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we 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. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of senior leadership, Governors/Trustees and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations including compliance with the Academies Accounts Direction 2023 to 2024 issued by the Education and Skills Funding Agency;
- Performing audit work over the recognition of grant income and the allocation of expenditure to funds;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

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 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.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Michelle Wilkes FCA (Senior Statutory Auditor)
for and on behalf of Azets

16 December 2024

Chartered Accountants
Statutory Auditor

First Floor
River House
1 Maidstone Road
Sidcup
Kent
United Kingdom
DA14 5RH

THE CHARTER SCHOOLS EDUCATIONAL TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE CHARTER SCHOOLS EDUCATIONAL TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2024

In accordance with the terms of our engagement letter dated 17 October 2024 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2023 to 2024, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Charter Schools Educational Trust during the period 1 September 2023 to 31 August 2024 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 The Charter Schools Educational Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the The Charter Schools Educational 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 The Charter Schools Educational Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of The Charter Schools Educational Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Charter Schools Educational Trust's funding agreement with the Secretary of State for Education dated 1 September 2010 and the Academy Trust Handbook, extant from 1 September 2023, 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 2023 to 2024. 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 2023 to 31 August 2024 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 Trust's income and expenditure.

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including high level financial control areas and areas assessed of presenting a higher risk of impropriety. We undertook detailed testing, based on our assessment of risk of material irregularity, where such controls, policies and procedures apply to classes of transactions. This work was integrated with our audit on the financial statements to the extent evidence from the conduct of that audit supports the regularity conclusion as well as additional testing based on our assessment of risk of material irregularity.

Conclusion

In the course of our work, except for the matters listed below, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2023 to 31 August 2024 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

During the year, although management accounts have been produced they did not include mandatory component elements being a balance sheet and a cashflow forecast.

During the year the academy trust purchased alcohol, amounting to £306.

Reporting Accountant

Azets
First Floor
River House
1 Maidstone Road
Sidcup
Kent
DA14 5RH
United Kingdom

Dated: 16 December 2024

THE CHARTER SCHOOLS EDUCATIONAL TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2024

	Notes	Unrestricted funds £'000	Restricted funds: General £'000	Restricted funds: Fixed asset £'000	Total 2024 £'000	Total 2023 as restated £'000
Income and endowments from:						
Donations and capital grants	**3**	87	12	24,608	24,707	1,306
Donations - transfer from local authority on conversion		-	-	-	-	11,710
Donations - transfer of existing academy into the trust		-	-	-	-	978
Charitable activities:						
- Funding for educational operations	**4**	674	41,467	-	42,141	34,183
- Teaching school		-	260	-	260	251
Other trading activities	**5**	2,616	-	-	2,616	2,538
Investments	**6**	49	-	-	49	21
Total		3,426	41,739	24,608	69,773	50,987
Expenditure on:						
Charitable activities:						
- Educational operations	**9**	1,304	44,113	3,318	48,735	40,610
- Teaching school		-	260	-	260	251
Total	**8**	1,304	44,373	3,318	48,995	40,861
Net income/(expenditure)		2,122	(2,634)	21,290	20,778	10,126
Transfers between funds	**17**	(3,033)	2,927	106	-	-
Other recognised gains/(losses)						
Actuarial gains on defined benefit pension schemes	**19**	-	914	-	914	354
Adjustment for restriction on pension assets	**19**	-	(360)	-	(360)	-
Net movement in funds		(911)	847	21,396	21,332	10,480
Reconciliation of funds						
Total funds brought forward		1,274	(1,006)	191,540	191,808	181,328
Total funds carried forward		363	(159)	212,936	213,140	191,808

THE CHARTER SCHOOLS EDUCATIONAL TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2024

Comparative year information Year ended 31 August 2023 As restated	**Notes**	**Unrestricted funds £'000**	**Restricted funds: General £'000**	**Restricted funds: Fixed asset £'000**	**Total 2023 £'000**
Income and endowments from:					
Donations and capital grants	**3**	89	-	1,217	1,306
Donations - transfer from local authority on conversion		142	(292)	11,860	11,710
Donations - transfer of existing academy into the trust		99	684	195	978
Charitable activities:					
- Funding for educational operations	**4**	339	33,844	-	34,183
- Teaching school		-	251	-	251
Other trading activities	**5**	2,538	-	-	2,538
Investments	**6**	21	-	-	21
Total		3,228	34,487	13,272	50,987
Expenditure on:					
Charitable activities:					
- Educational operations	**9**	1,082	36,719	2,809	40,610
- Teaching school		-	251	-	251
Total	**8**	1,082	36,970	2,809	40,861
Net income/(expenditure)		2,146	(2,483)	10,463	10,126
Transfers between funds	**17**	(1,618)	1,876	(258)	-
Other recognised gains/(losses)					
Actuarial gains on defined benefit pension schemes	**19**	-	354	-	354
Net movement in funds		528	(253)	10,205	10,480
Reconciliation of funds					
Total funds brought forward		746	(753)	181,335	181,328
Total funds carried forward		1,274	(1,006)	191,540	191,808

THE CHARTER SCHOOLS EDUCATIONAL TRUST

BALANCE SHEET

AS AT 31 AUGUST 2024

	Notes	2024 £'000	2024 £'000	2023 as restated £'000	2023 £'000
Fixed assets					
Tangible assets	**13**		212,655		191,227
Current assets					
Debtors	**14**	2,190		2,592	
Cash at bank and in hand		638		2,177	
		2,828		4,769	
Current liabilities					
Creditors: amounts falling due within one year	**15**	(2,184)		(3,182)	
Net current assets			644		1,587
Net assets excluding pension liability			213,299		192,814
Defined benefit pension scheme liability	**19**		(159)		(1,006)
Total net assets			213,140		191,808
Funds of the Trust:					
Restricted funds	**17**				
- Fixed asset funds			212,936		191,540
- Pension reserve			(159)		(1,006)
Total restricted funds			212,777		190,534
Unrestricted income funds	**17**		363		1,274
Total funds			213,140		191,808

The accounts on pages 28 to 57 were approved by the Trustees and authorised for issue on 11 December 2024 and are signed on their behalf by:

J Slater
Chair

Company registration number 07338707 (England and Wales)

THE CHARTER SCHOOLS EDUCATIONAL TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2024

	Notes	2024 £'000	2024 £'000	2023 as restated £'000	2023 £'000
Cash flows from operating activities					
Net cash used in operating activities	**20**		(1,420)		(821)
Cash funds transferred on conversion			-		1,160
			(1,420)		339
Cash flows from investing activities					
Dividends, interest and rents from investments		49		21	
Capital grants from DfE Group		1,237		1,217	
Purchase of tangible fixed assets		(1,375)		(1,258)	
Net cash used in investing activities			(89)		(20)
Cash flows from financing activities					
Finance costs		(30)		(25)	
Net cash used in financing activities			(30)		(25)
Net (decrease)/increase in cash and cash equivalents in the reporting period			(1,539)		294
Cash and cash equivalents at beginning of the year			2,177		1,883
Cash and cash equivalents at end of the year			638		2,177

1 Accounting policies

The Charter Schools Educational Trust is a charitable company. The address of its principal place of business is given on page 1 and the nature of its operations are set out in the Trustees' report.

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 accounts of the Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2023 to 2024 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, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the accounts and have concluded that the Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Trust's ability to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Income

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

Grants

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

General Annual Grant is recognised in full in the statement of financial activities in the period 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 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 the receipt is probable and it can be measured reliably.

Donations

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

1 Accounting policies **(Continued)**

Other income

Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the 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 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 accounts until they are sold. This income is recognised within 'Income from other trading activities'.

Donated fixed assets

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

Transfer of assets from existing academies

Where assets and liabilities are received on the transfer of an existing academy into the Trust, the transferred net assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the Trust. Income equal to the net assets transferred is recognised within donations and capital grant income.

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 are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

1 Accounting policies **(Continued)**

1.5 Tangible fixed assets and depreciation

Assets costing £5k or groups of assets costing £30k or more containing items over £1k 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 that require 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.

The Charter School North Dulwich buildings are included on the basis of a desktop depreciated insurance valuation prepared by ESFA on conversion in 2010. The land on which the school is sited is leased on a 200 year lease granted to 1955 and transferred to the Trust in November 2011.

The Charter School East Dulwich buildings are included at cost. The land on which the school is sited is included at a desktop DfE valuation.

Charles Dickens Primary School buildings were included on the basis of an external DfE valuation. The land on which the school is sited is included at a desktop DfE valuation. The land and buildings are owned by the Trust.

Lyndhurst Primary School buildings are included on the basis of an external DfE valuation. The land on which the school is sited is included at a desktop DfE valuation.

The land and buildings at The Belham Primary School are occupied under the terms of a short-term arrangement. It is expected that a long term lease of 125 years will be put into place when snagging issues are resolved, and long term lease negotiations with the Local Authority are concluded. When that has been achieved a valuation for the Belham Primary School leasehold interest will be included as a fixed asset.

The buildings at Dulwich Hamlet Junior School are included on the basis of an external valuation of building reinstatement costs for insurance purposes, which was carried out in 2011. The land on which the school is sited is included at a desktop DfE valuation.

Streatham Wells Primary School land and buildings have been included on the basis of a valuation by the directors where comparison was made to schools in the local area.

Charter Schools Bermondsey land has been included on the basis of a valuation by the directors where comparison was made to schools in the local area. The buildings have been included at cost of construction.

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

Freehold land and buildings	Buildings over 50 years, land is not depreciated.
Leasehold land and buildings	Buildings over 50 years, land is over the remaining term of the lease.
Leasehold improvements	25 years
Computer equipment	3 years
Fixtures, fittings & equipment	5 years
Motor vehicles	4 years

1 Accounting policies **(Continued)**

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

1.6 Liabilities

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

1.7 Leased assets

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

1.8 Financial instruments

The Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the 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.

1.9 Taxation

The 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 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.

1.10 Pensions benefits

Retirement benefits to employees of the Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets are held separately from those of the Trust.

The TPS is an unfunded scheme and contributions are calculated to spread the cost of pensions over employees' working lives with the Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary based on quadrennial valuations using a prospective unit credit method. The 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 are recognised in the period to which they relate.

1 Accounting policies **(Continued)**

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to net income or 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.

1.11 Fund accounting

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

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

1.12 Agency arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the academy trust does not have control over the charitable application of the funds. The funds received and paid and any balances held are disclosed in note 26.

2 Critical accounting estimates and areas of judgement

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

2 Critical accounting estimates and areas of judgement (Continued)

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note note,note36, 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 2022 has been used by the actuary in valuing the pensions liability at 31 August 2024. 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.

The pension value also includes an asset ceiling adjustment and the assumptions used to calculate this are:

- The scheme is open to new entrants;
- There is a minimum funding requirement in relation to the LGPS;
- There is the ability to recover a surplus through the ability to reduce future contributions (not refund)
- In calculating the surplus, the present value of current and past service costs is offset against the future contributions over the future period;
- The present value in the above calculations are calculated using an annuity representing participation into perpetuity.

Critical areas of judgement

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 14 for the carrying amount of the property plant and equipment, and note 1.5 for the useful economic lives for each class of assets.

Bad debts

Debtors are regularly reviewed for recoverability, any debts which in the opinion of management are not recoverable are provided for as a specific bad debt.

There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Total 2024 £'000	Total 2023 £'000
Donated fixed assets	-	23,371	23,371	-
Capital grants	-	1,237	1,237	1,217
Other donations	87	12	99	89
	87	24,620	24,707	1,306

4 Funding for the Trust's charitable activities

Educational operations	Unrestricted funds £'000	Restricted funds £'000	Total 2024 £'000	Total 2023 £'000
DfE/ESFA grants				
General annual grant (GAG)	-	29,131	29,131	24,228
16-19 core funding	-	3,883	3,883	3,572
Other DfE/ESFA grants:				
- UIFSM	-	225	225	191
- Pupil premium	-	1,536	1,536	1,099
- Recovery premium	-	261	261	191
- Start up grants	-	25	25	25
- TCAF	-	-	-	78
- MSAG	-	933	933	306
- Supplementary grants	-	-	-	668
- PE and Sports Premium	-	96	96	85
- Rates	-	246	246	227
- Teachers Pension Grant	-	449	449	164
- Teachers Pay Grant	-	486	486	7
- School led tutoring	-	-	-	122
- DfE teaching grants	-	260	260	251
- Early Years Hub		667	667	-
- Lease reminbursement	-	229	229	-
- Others	-	50	50	165
	-	38,477	38,477	31,379
Other government grants				
Local authority grants	-	3,193	3,193	2,414
Special educational projects	-	57	57	212
	-	3,250	3,250	2,626
Other incoming resources				
Catering income	106	-	106	168
Urban health	-	-	-	90
	106	-	106	258
Total funding for educational operations	-	41,727	41,833	34,005
London South Teaching School Hub	568	-	568	171
Total funding	568	41,727	42,401	34,176

5 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2024 £'000	Total 2023 £'000
Hire of facilities	342	-	342	210
Music services	409	-	409	306
Nursery, club fees and school fund	911	-	911	610
Trip income	398	-	398	496
Other income	556	-	556	916
	2,616	-	2,616	2,538

6 Investment income

	Unrestricted funds £'000	Restricted funds £'000	Total 2024 £'000	Total 2023 £'000
Short term deposits	49	-	49	21

7 Central services

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

- Executive management
- Operations leadership and clerking
- Marketing and communications leadership
- Human resources;
- Financial services;
- Contract procurement and management;
- Premises management;
- Educational support services;
- Capital fundraising;
- Conversion and joining support.

The Trust charges for these services on the following basis:

- 5% of GAG School Budget Share (2023: 5% of GAG School Budget Share)

7 Central services **(Continued)**

The amounts charged during the year were as follows:	2024 £'000	2023 £'000
The Charter School North Dulwich	426	353
The Charter School East Dulwich	460	375
Charles Dickens Primary School	137	128
Dulwich Hamlet Junior School	103	99
The Belham Primary School	117	109
Lyndhurst Primary School	116	109
Streatham Wells Primary School	66	37
The Charter School Bermondsey	201	72
Loughborough Primary School	-	-
The Charter Institute	-	-
	1,626	1,282

8 Expenditure

		Non-pay expenditure		Total	Total
	Staff costs	Premises	Other	2024	2023
	£'000	£'000	£'000	£'000	£'000
Academy's educational operations					
- Direct costs	28,990	2,802	4,426	36,218	29,259
- Allocated support costs	5,824	3,359	3,334	12,517	11,351
Teaching school					
- Direct costs	260	-	-	260	251
	35,074	6,161	7,760	48,995	40,861

Net income/(expenditure) for the year includes:	2024 £'000	2023 £'000
Operating lease rentals	52	41
Depreciation of tangible fixed assets	3,318	2,809
Fees payable to auditor for:		
- Audit	25	22
- Other services	17	14
Bank and loan interest	30	25
Net interest on defined benefit pension liability	17	17

9 Charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2024 £'000	Total 2023 £'000
Direct costs				
Educational operations	910	35,308	36,218	29,259
Teaching school	-	260	260	251
Support costs				
Educational operations	394	12,123	12,517	11,351
	1,304	47,691	48,995	40,861

Analysis of costs	Teaching school £'000	Educational operations £'000	Total 2024 £'000	Total 2023 £'000
Direct costs				
Teaching and educational support staff costs	260	28,990	29,250	24,404
Staff development	-	166	166	92
Depreciation	-	2,802	2,802	2,567
Technology costs	-	2	2	-
Educational supplies and services	-	1,913	1,913	879
Examination fees	-	443	443	316
Educational consultancy	-	767	767	600
Other direct costs	-	1,135	1,135	652
	260	36,218	36,478	29,510
Support costs				
Support staff costs	-	5,824	5,824	5,423
Depreciation	-	516	516	242
Technology costs	-	563	563	601
Maintenance of premises and equipment	-	702	702	833
Cleaning	-	843	843	640
Energy costs	-	770	770	528
Rent, rates and other occupancy costs	-	391	391	309
Insurance	-	137	137	113
Security and transport	-	47	47	13
Catering	-	1,320	1,320	1,188
Finance costs	-	47	47	42
Other support costs	-	1,315	1,315	1,384
Governance costs	-	42	42	35
	-	12,517	12,517	11,351

10 Staff

Staff costs and employee benefits

Staff costs during the year were:

	2024 £'000	2023 £'000
Wages and salaries	25,619	21,817
Social security costs	2,581	2,196
Pension costs	5,117	4,442
Staff costs - employees	33,317	28,455
Agency staff costs	1,692	1,309
Staff restructuring costs	65	63
	35,074	29,827
Staff development and other staff costs	166	92
Total staff expenditure	35,240	29,919

Staff restructuring costs comprise:

Severance payments	65	63

Severance payments

The Trust paid 6 severance payments in the year, disclosed in the following bands:

£0 - £25,000	5
£25,001 - £50,000	1

Special staff severance payments

Special staff severance payments are amounts paid to employees outside of statutory and contractual requirements. Included in staff restructuring costs are special severance payments totalling £65k (2023: £63k). Individually, the payments were: £1 ; £4,000 ; £4,000; £5,000; £12,000 and £40,000.

Staff numbers

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

	2024 Number	2023 Number
Teachers	345	298
Administration and support	391	331
Management	15	55
	751	684

10 Staff **(Continued)**

Higher paid staff

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

	2024 Number	2023 Number
£60,000 - £70,000	13	13
£70,001 - £80,000	22	11
£80,001 - £90,000	8	7
£90,001 - £100,000	3	-
£100,001 - £110,000	3	2
£130,001 - £140,000	1	-
£140,001 - £150,000	-	1
£160,001 - £170,000	1	-

Key management personnel

The key management personnel of the 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 contibutions) received by key management personnel for their services to the Trust was £894k (2023: £1,163k), relating to 6 members of the Trust Executive Team (2023: 11). During the year the Trust has changed from structure of the senior leadership team as a result of the Trust growing in size.

11 Trustees' remuneration and expenses

The CEO has been paid remuneration or has received other benefits from an employment with the Trust. The CEO only receives remuneration in respect of services provided undertaking the role of CEO under her contract of employment, and not in respect of services as trustee.

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

C Buchanan (CEO):

- Remuneration £165,000 - £170,000 (2023: £145,000 - £150,000)
- Employer's pension contributions £45,000 - £50,000 (2023: £35,000 - £40,000)

During the year ended 31 August 2024, expenses amounting to £1,100 were reimbursed to 1 trustee (2023: none).

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

12 Trustees' and officers' insurance

In accordance with normal commercial practice, the Trust has insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides cover up to £10m (2023: £10m) on any one claim.

13 Tangible fixed assets

	Freehold land and buildings	Leasehold land and buildings	Leasehold improvements	Computer equipment	Fixtures, fittings & equipment	Motor vehicles	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost							
At 1 September 2023 - as restated	15,895	189,847	2,848	569	1,155	81	210,395
Additions	-	23,371	674	418	283	-	24,746
At 31 August 2024	15,895	213,218	3,522	987	1,438	81	235,141
Depreciation							
At 1 September 2023 - as restated	230	17,043	401	449	965	80	19,168
Charge for the year	77	2,583	142	320	195	1	3,318
At 31 August 2024	307	19,626	543	769	1,160	81	22,486
Net book value							
At 31 August 2024	15,588	193,592	2,979	218	278	-	212,655
At 31 August 2023 as restated	15,665	172,804	2,447	120	190	1	191,227

13 Tangible fixed assets **(Continued)**

Transactions relating to land and buildings during the year include:

- the taking up of a leasehold on Charter Bermondsey for £23,371k over a term of 125 years.

The net book value of leasehold land (where this has been separately valued and recognised) at 31 August 2024 is £119,263,175 (2023: £28,893,624).

The freehold land is valued at £12,065,000 and is not depreciated.

Leasehold improvements additions in the year relates to buildings and facilities upgrades and improvements made at Charter Schools North Dulwich, Charles Dickens Primary School, Lyndhurst Primary School, Belham Primary School and Streatham Wells Primary School.

14 Debtors

	2024 £'000	2023 £'000
Trade debtors	285	826
VAT recoverable	303	567
Other debtors	176	6
Prepayments and accrued income	1,426	1,193
	2,190	2,592

15 Creditors: amounts falling due within one year

	2024 £'000	2023 £'000
Trade creditors	544	1,237
Other taxation and social security	651	554
Other creditors	24	295
Accruals and deferred income	965	1,096
	2,184	3,182

16 Deferred income

	2024 £'000	2023 £'000
Deferred income is included within:		
Creditors due within one year	335	391
Deferred income at 1 September 2023	391	241
Released from previous years	(391)	(241)
Resources deferred in the year	335	391
Deferred income at 31 August 2024	335	391

16 Deferred income **(Continued)**

At the balance sheet date the trust was holding funds for schools trips and also Universal Infant Free School Meals income relating to the next financial year.

17 Funds

	Balance at 1 September 2023 as restated	Income	Expenditure	Gains, losses and transfers	Balance at 31 August 2024
	£'000	£'000	£'000	£'000	£'000
Restricted general funds					
General Annual Grant (GAG)	-	33,014	(35,941)	2,927	-
Start up grants	-	25	(25)	-	-
UIFSM	-	225	(225)	-	-
Pupil premium	-	1,536	(1,536)	-	-
Other DfE/ESFA grants	-	3,417	(3,417)	-	-
Other government grants	-	3,250	(3,250)	-	-
Teaching school	-	260	(260)	-	-
Other restricted funds	-	12	(12)	-	-
Pension reserve	(1,006)	-	293	554	(159)
	(1,006)	41,739	(44,373)	3,481	(159)
Restricted fixed asset funds					
DfE group capital grants	313	1,237	-	(1,269)	281
General fixed assets	191,227	23,371	(3,318)	1,375	212,655
	191,540	24,608	(3,318)	106	212,936
Total restricted funds	190,534	66,347	(47,691)	3,587	212,777
Unrestricted funds					
General funds	1,274	2,858	(786)	(3,033)	313
London South Teaching School Hub	-	568	(518)	-	50
	1,274	3,426	(1,304)	(3,033)	363
Total funds	191,808	69,773	(48,995)	554	213,140

17 Funds **(Continued)**

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

General Annual Grant: Income received from the ESFA to cover the normal running costs of the schools.

Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2024.

Other DFE/ESFA grants: This includes the pupil premium, rates relief, universal free school meals, trust capacity funding, teachers pay, teachers pensions, PE and sports premium, maintained schools additional grants, supplementary grants, Teaching School Grant and Stronger Practices Hub.

Other government grants: This includes SEN funding, pupil premium and High Needs funding.

DfE / ESFA capital grants: This relates to DFC,CIF and SCA.

The transfer of funds relates to the purchase of fixed assets during the period, and the overspend on GAG.

17 Funds **(Continued)**

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

	Balance at 1 September 2022 as restated	Income	Expenditure	Gains, losses and transfers	Balance at 31 August 2023 as restated
	£'000	£'000	£'000	£'000	£'000
Restricted general funds					
General Annual Grant (GAG)	-	28,333	(30,209)	1,876	-
Start up grants	-	103	(103)	-	-
UIFSM	-	191	(191)	-	-
Pupil premium	-	1,099	(1,099)	-	-
Other DfE/ESFA grants	-	1,972	(1,972)	-	-
Other government grants	-	2,626	(2,626)	-	-
Teaching school	-	251	(251)	-	-
Other restricted funds	-	204	(204)	-	-
Pension reserve	(753)	(292)	(315)	354	(1,006)
	(753)	34,487	(36,970)	2,230	(1,006)
Restricted fixed asset funds					
DfE group capital grants	602	1,228	(1,342)	(1,517)	(1,029)
General fixed assets	180,733	12,044	(1,467)	1,259	192,569
	181,335	13,272	(2,809)	(258)	191,540
Total restricted funds	180,582	47,759	(39,779)	1,972	190,534
Unrestricted funds					
General funds	746	3,057	(920)	(1,609)	1,274
London South Teaching School Hub	-	171	(162)	(9)	-
	746	3,228	(1,082)	(1,618)	1,274
Total funds	181,328	50,987	(40,861)	354	191,808

17 Funds **(Continued)**

Total funds analysis by academy

Fund balances at 31 August 2024 were allocated as follows:	2024 £'000	2023 £'000
The Charter School North Dulwich	1	1
The Charter School East Dulwich	1	1
Charles Dickens Primary School	1	1
Dulwich Hamlet Junior School	1	1
The Belham Primary School	1	1
Lyndhurst Primary School	1	1
Streatham Wells Primary School	1	1
The Charter School Bermondsey	1	1
Loughborough Primary School	-	-
The Charter Institute	-	-
Central services	525	1,266
Total before fixed assets fund and pension reserve	533	1,274
Restricted fixed asset fund	212,936	191,540
Pension reserve	(159)	(1,006)
Total funds	213,310	191,808

Total cost analysis by academy

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

	Teaching and educational support staff £'000	Other support staff costs £'000	Educational supplies £'000	Other costs excluding depreciation £'000	Total 2024 £'000	Total 2023 £'000
The Charter School North Dulwich	7,720	1,083	199	2,070	11,072	10,707
The Charter School East Dulwich	7,885	1,170	315	1,678	11,048	9,942
Charles Dickens Primary School	2,506	730	144	740	4,120	4,368
Dulwich Hamlet Junior School	1,816	503	106	542	2,967	2,789
The Belham Primary School	1,895	440	107	590	3,032	3,041
Lyndhurst Primary School	2,095	329	107	656	3,187	2,959
Streatham Wells Primary School	1,158	323	69	459	2,009	1,004
The Charter School Bermondsey	3,098	362	147	1,352	4,959	587
Loughborough Primary School	-	-	-	-	-	-
The Charter Institute	242	413	718	25	1,398	-
Central services	835	471	1	579	1,886	2,654
	29,250	5,824	1,913	8,691	45,678	38,051

18 Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted funds: General £'000	Restricted funds: Fixed asset £'000	Total Funds £'000
Fund balances at 31 August 2024 are represented by:				
Tangible fixed assets	-	-	212,655	212,655
Current assets	2,547	-	281	2,828
Current liabilities	(2,184)	-	-	(2,184)
Pension scheme liability	-	(159)	-	(159)
Total net assets	363	(159)	212,936	213,140

	Unrestricted Funds £'000	Restricted funds: General £'000	Restricted funds: Fixed asset £'000	Total Funds £'000
Fund balances at 31 August 2023 are represented by:				
Tangible fixed assets	-	-	191,227	191,227
Current assets	4,456	-	313	4,769
Current liabilities	(3,182)	-	-	(3,182)
Pension scheme liability	-	(1,006)	-	(1,006)
Total net assets	1,274	(1,006)	191,540	191,808

19 Pension and similar obligations

The 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 London Borough of Southwark and London Borough of Lambeth. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2020, and that of the LGPS related to the period ended 31 March 2022.

Contributions amounting to £nil (2023: £nil) were payable to the schemes at 31 August 2024 and are included within creditors.

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 academy trusts. 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.

19 Pension and similar obligations (Continued)

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 ensure scheme costs are recognised and managed appropriately and the review specifies 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 2020. The valuation report was published by the Department for Education on 27 October 2023, with the SCAPE rate, set by HMT, applying a notional investment return based on 1.7% above the rate of CPI. The key elements of the valuation outcome are:

- Employer contribution rates set at 28.68% of pensionable pay (including a 0.08% administration levy). This is an increase of 5% in employer contributions and the cost control result is such that no change in member benefits is needed.
- Total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million.

The result of this valuation will be implemented from 1 April 2024.The next valuation result is due to be implemented from 1 April 2028.

The employer's pension costs paid to the TPS in the period amounted to £4,040k (2023: £2,994k).

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 Trust is unable to identify its share of the underlying assets and liabilities of the plan. Accordingly, the Trust has taken advantage of the exemption in FRS 102 and has has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 21% for employers and 5.5 to 12.5% 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 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on GOV.UK.

Total contributions made	**2024**	**2023**
	£'000	**£'000**
Employer's contributions	1,472	1,101
Employees' contributions	462	377
Total contributions	1,934	1,478

19 Pension and similar obligations **(Continued)**

Principal actuarial assumptions	**2024**	**2023**
	%	**%**
Rate of increase in salaries	3.15 - 4.00	4.1
Rate of increase for pensions in payment/inflation	2.50 - 2.65	2.6
Discount rate for scheme liabilities	4.90 - 5.00	5
Inflation assumption (CPI)	2.50 - 2.65	2.6

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

	2024	**2023**
	Years	**Years**
Retiring today		
- Males	20.8 - 21.0	21.0
- Females	23.6 - 23.8	22.2
Retiring in 20 years		
- Males	21.7 - 22.3	23.7
- Females	24.7 - 25.3	25.1

Sensitivity analysis

Scheme liabilities would have been affected by changes in assumptions as follows:

	2024	**2023**
	£'000	**£'000**
Discount rate + 0.1%	-351	-85
Discount rate - 0.1%	377	87
Mortality assumption + 1 year	452	87
Mortality assumption - 1 year	-398	-85
CPI rate + 0.1%	360	87
CPI rate - 0.1%	-335	-85
Salary rate +0.1%	17	+16
Salary rate -0.1%	-16	-14

Defined benefit pension scheme net liability	**2024**	**2023**
	£'000	**£'000**
Scheme assets	17,481	14,205
Scheme obligations	(17,280)	(15,211)
Net asset/(liability)	201	(1,006)
Restriction on scheme assets	(360)	-
Total liability recognised	(159)	(1,006)

19 Pension and similar obligations **(Continued)**

The Trust's share of the assets in the scheme	**2024 Fair value £'000**	**2023 Fair value £'000**
Equities	9,805	7,783
Bonds	1,642	2,375
Cash	126	369
Property	2,502	1,965
Other assets	3,406	1,713
Total market value of assets	17,481	14,205
Restriction on scheme assets	(360)	-
Net assets recognised	17,121	14,205

The actual return on scheme assets was £1,507,000 (2023: £(76,000)).

Amount recognised in the statement of financial activities	**2024 £'000**	**2023 £'000**
Current service cost	1,162	1,399
Interest income	(759)	(510)
Interest cost	776	527
Total amount recognised	1,179	1,416

The net gain recognised on scheme assets has been restricted because the full pension surplus is not expected to be recovered through refunds or reduced contributions in the future.

Changes in the present value of defined benefit obligations	**2024 £'000**	**2023 £'000**
At 1 September 2023	15,211	12,174
Obligations acquired on conversion	-	1,183
Transferred in on existing academies joining the Trust	-	689
Current service cost	1,162	1,399
Interest cost	776	527
Employee contributions	462	377
Actuarial gain	(166)	(940)
Benefits paid	(165)	(198)
At 31 August 2024	17,280	15,211

19 Pension and similar obligations **(Continued)**

Changes in the fair value of the Trust's share of scheme assets

	2024 £'000	2023 £'000
At 1 September 2023	14,205	11,421
Assets acquired on conversion	-	862
Transferred in on existing academies joining the Trust	-	718
Interest income	759	510
Actuarial (gain)/loss	748	(586)
Employer contributions	1,472	1,101
Employee contributions	462	377
Benefits paid	(165)	(198)
At 31 August 2024	17,481	14,205
Restriction on scheme assets	(360)	-
Net assets recognised	17,121	14,205

20 Reconciliation of net income to net cash flow from operating activities

	Notes	2024 £'000	2023 £'000
Net income for the reporting period (as per the statement of financial activities)		20,778	10,126
Adjusted for:			
Net surplus on conversion to academy		-	(11,710)
Net surplus on transfer of academy in the trust		-	(978)
Donated assets		(23,371)	
Capital grants from DfE and other capital income		(1,237)	(1,217)
Investment income receivable	**6**	(49)	(21)
Finance costs payable		30	25
Defined benefit pension costs less contributions payable	**19**	(310)	298
Defined benefit pension scheme finance cost	**19**	17	17
Depreciation of tangible fixed assets		3,318	2,809
Decrease/(increase) in debtors		402	(569)
(Decrease)/increase in creditors		(998)	623
Stocks, debtors and creditors transferred on conversion		-	(224)
Net cash used in operating activities		(1,420)	(821)

21 Analysis of changes in net funds

	1 September 2023 £'000	Cash flows £'000	31 August 2024 £'000
Cash	2,177	(1,539)	638

22 Long-term commitments

Operating leases

At 31 August 2024 the total of the Trust's future minimum lease payments under non-cancellable operating leases was:

	2024 £'000	2023 £'000
Amounts due within one year	61	31
Amounts due in two and five years	169	89
Amounts due after five years	30	45
	260	165

23 Capital commitments

	2024 £'000	2023 £'000
Expenditure contracted for but not provided in the accounts	170	86

There were capital commitments at 31 August 2024 for contracts agreed in relation to works for the wireless upgrades at Charter North Dulwich, Dulwich Hamlet Junior School, Belham Primary School, Charles Dickens Primary School and Lyndhurst Primary School.

24 Related party transactions

Owing to the nature of the 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 transactions took place in the financial period.

Expenditure related party transactions

S Amadi is employed by the academy trust. S Amadi's father is the member Mr E Amadi.

Mrs L Godfrey is employed by the academy trust. Mrs L Godfrey is married to the trustee and member Mr J Godfrey (resigned 31 March 2024)

S Brown was employed by the academy trust until December 2023. S Brown's mother is the member Mrs E Brown.

I Buchanan provides services to the academy trust. I Buchanan is married to the CEO C Buchanan. During the year the Trust paid £2,105 to I Buchanan.

The appointments were made in open competition. The connected party trustee was not involved in the decision making process regarding appointment. They are paid within the normal pay scale for their roles and receive no special treatment as a result of their relationship to a trustee.

25 Post balance sheet events

After the year end, the following school converted to academy trust status and joined The Charter Schools Educational Trust.

Academy	Location	Date of conversion
Loughborough Primary School	Lambeth	1 October 2024

26 Members' liability

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

27 Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2024 the academy trust received £24k (2023: £33k) and disbursed £14k (2023: £33k) from the fund. An amount of £10k (2023: £nil) is included in other creditors relating to undistributed funds that is repayable to ESFA.

The academy trust in its role as London South Teaching School Hub distributes Healthy Schools Grant Funding (Urban Health Funding) to schools as an agent for Guys' and St Thomas' Foundation. In the accounting period ending 31 August 2024 the academy trust received £Nil (2023: £1,035k) and disbursed £234k (2023: £756k) from the fund. An amount of £45k (2023: £279k) is included in other creditors relating to undistributed funds that is repayable to Guys' and St Thomas' Foundation.

28 Prior period adjustment

Reconciliation of funds	Notes	1 September 2022 £'000	31 August 2023 £'000
Funds as previously reported		65,313	77,135
Adjustments arising:			
Land and buildings valuaitonand depreciation thereon	**1**	117,335	116,024
Buildings depreciated at the incorrect rate	**1**	(1,513)	(1,641)
Freehold land incorrectly depreciated	**1**	193	290
Funds as restated		181,328	191,808

28 Prior period adjustment **(Continued)**

Reconciliation of net income for the previous financial period	Notes	2023 £'000
Net income as previously reported		11,468
Adjustments arising:		
Land and buildings valuaitonand depreciation thereon	**1**	(1,310)
Buildings depreciated at the incorrect rate	**1**	(129)
Freehold land incorrectly depreciated	**1**	97
Net income as restated		10,126

Notes to restatement

Land and buildings
Land and buildings have been updated to include the valuation of land and buildings that were previously not included in the accounts. A corresponding depreciation adjustment has also been included.

In addition, freehold land that had previously been identified as leasehold land, and depreciated, has now been correctly treated as freehold and the corresponding depreciation has been removed.