



Company Registration No. 1657717
Charity Registration No. 285398

The Central School of Ballet Charitable Trust Ltd
(A Charitable Company Limited by Guarantee)

Report and Financial Statements

Year ended 31 July 2022

Mazars
Chartered Accountants
2nd Floor
6 Sutton Plaza
Sutton Court Road
Sutton
SM1 4FS

THE CENTRAL SCHOOL OF BALLET CHARITABLE TRUST LIMITED
(A company limited by guarantee)

CONTENTS

INDEX	Page
Legal and Administrative Information	1 - 2
Report of the Board of Governors	3 - 9
Corporate Governance Statement	10-11
Statement of Responsibilities of the Board of Governors	12
Independent Auditors' Report	13 -15
Income and Expenditure Account	16
Balance Sheet	17
Statement of cash flows	18
Notes to the accounts	19 – 29

THE CENTRAL SCHOOL OF BALLET CHARITABLE TRUST LIMITED
(A company limited by guarantee)

LEGAL AND ADMINISTRATIVE INFORMATION

Registered Name:	The Central School of Ballet Charitable Trust Limited	
Registered Charity Number:	285398	
Registered Company Number:	1657717	
Patron	HRH The Countess of Wessex GCVO	
President	Lady Sieff	
Governors (trustees):	Ralph Bernard CBE	(Chairman) Remuneration and Nominations Committee (Chair)
	Pim Baxter OBE	
	Dr Virginia Brooke	(Resigned 01.12.22)
	Simon Cole	
	Elizabeth Edwards	Audit Committee (appointed 29.06.22)
	Dawn Farrow	(Appointed 29.06.22)
	Mark Goodey	Finance Committee (appointed 29.06.22)
	David Gray CBE	Finance Committee (resigned 20.10.22)
	Heidi Hall	
	Christopher Hampson	
	James Harvey	Audit Committee (appointed 27.04.22)
	Stephen Kane	
	Edward Kemp	(Appointed 12.09.22)
	Susannah Marsden	(Appointed 20.10.22)
	Wendy Pallot	Finance Committee (Chair)
	Tim Parsonson	
	Charlotte Schonberg	(Deputy Chair) Remuneration and Nominations Committee
	Susan Scott-Parker OBE	Audit Committee (resigned 27.04.22)
	Simon Sporborg	Remuneration and Nominations Committee
	Andrew Tuckey	(Vice-Chairman), Finance Committee, Remuneration and Nominations Committee (resigned 27.04.22)
	Jonathan Wood	Audit Committee (resigned 27.04.22)
	Tamas Wood	Audit Committee (Chair)
Secretary:	Carolyn Braby	
Principal:	Mark Osterfield	
Senior Management Team	Mark Osterfield	(Executive Director)
	Kate Coyne	(Artistic Director appointed 04.10.22)
	Dr Jamieson Dryburgh	(Director of Higher Education)
	Carolyn Braby	(Director of Finance & Operations)
	Iryna Pyzniuk	(Head of Studies, resigned 31.08.22)
	Natasha King	(Head of Studies, appointed 01.09.22)
	Debra Cougill	(Head of Widening Participation & Access)
	Anna Brodrick	(Head of Medical Department)
Registered Office and principal address	The Countess of Wessex Studios 21/22 Hatfields Paris Garden London SE1 8DJ	

THE CENTRAL SCHOOL OF BALLET CHARITABLE TRUST LIMITED
(A company limited by guarantee)

LEGAL AND ADMINISTRATIVE INFORMATION (continued)

Bankers:

HSBC
31 Euston Road
London
NW1 2ST

Auditors:

Mazars
Chartered Accountants
2nd Floor
6 Sutton Plaza
Sutton Court Road
Sutton
SM1 4FS

**THE CENTRAL SCHOOL OF BALLET CHARITABLE TRUST LIMITED (the “Trust”)
(A company limited by guarantee)**

REPORT OF THE BOARD OF GOVERNORS

FOR THE YEAR ENDED 31 JULY 2022

The Governors, who are the trustees of the charity for the purposes of charity law, present below their annual report, together with the audited financial statements of the Trust for the year ended 31 July 2022.

Principal activity and charitable objectives

The Trust’s overall aim is to improve the education and training of dancers. As a means of achieving that aim, the Trust runs the Central School of Ballet and tours performances as Ballet Central.

Public Benefit

The core elements of Central School of Ballet’s public benefit are:

- producing exceptional artists who shape the future of dance;
- fostering talent and creativity through world-class vocational training;
- finding and nurturing the finest UK talent;
- supporting the cultural infrastructure;
- fuelling development in the creative industries; and
- international leadership in dance.

Central School of Ballet continues to keep public benefit at the heart of its activities, in line with public benefit guidance provided by the Charity Commission. Its approach to recruitment is to select students on the basis of talent irrespective of other factors and it ensures this by auditioning every student who meets the recruitment criteria (more than 200 applications annually). Where financial assistance is required Central supports students with bursaries, scholarships and support. It has been committed to sharing good practice with the six schools within the Conservatoire for Dance and Drama (CDD) and the wider educational and cultural sectors. Central supports not only the education of young artists but also their wellbeing and their continuing professional development after graduation. It offers support to artists throughout their careers by commissioning new works and teaching. Central has continued to enhance the educational and cultural life of the UK. Information on how Central has achieved these objectives is set out in the financial review and review of activities below.

Corporate governance

The financial statements include a statement providing information about the School’s governance and legal structure. This statement appears on page 10.

Review of activities

Central School of Ballet completed its first full academic year of training in 21/22 at the Countess of Wessex Studios. Whilst the contractor worked through the snagging list at night, the school thrived in its new premises during the day. The year has entailed both enjoyment of the much-improved facilities, as well as a process of experimentation and learning in their best use. The Higher Education programme has naturally been at the forefront of the work, but there has also been a focus on rebuilding participation in our Junior School and Adult classes, and maximising use of the studios by our successful Associates programme. The Tabor Hub Health and Wellbeing facilities have improved our offer, as has the academic learning facilities supporting contextual studies. The studios have also been used for rehearsals and hires from the Dance, Musical, and Theatre industry. The learnings from this year have been fed into a revised programme and use of Wessex Studios for 22/23.

Whilst the impact of Covid was less severe than in 20/21, the rise of the omicron variant had a continued impact on our HE students and non-HE participants. We continued to encourage lateral flow device testing until the end of the spring term and maintained precautionary mitigations and advice for the rest of the year. Fortunately, levels of infection remained relatively low, and there was no need for closures. However, the ongoing risk, did impact on overseas recruitment, as well as local participation in non-HE classes.

In October 2021, Kate Coyne, Artistic Director, and Mikaela Polley, Artist in Residence joined the team. As Professional Training Lead, Kate spent time reviewing the dance training offered, and working with Dr Jamieson Dryburgh, Director of Higher Education, to ensure our students’ skills meet both the professional needs of the dance industry, as well as the academic needs of our HE validator, the University of Kent. Kate also worked closely with Mikaela Polley, delivering a successful Winter Showcase in the Gable Studio Theatre in December, and then a Ballet Central tour of 11 national venues in the summer of 2022. Mikaela Polley created a new work *Unbound* for the tour and brought her expert rehearsal skills and company experience to the Artist in Residence role, leading our third-year cohort to a successful series of Ballet Central performances of works by Mthutuzeli November, Cathy Marston, and Ashleigh Page.

THE CENTRAL SCHOOL OF BALLET CHARITABLE TRUST LIMITED (the "Trust")
(A company limited by guarantee)

REPORT OF THE BOARD OF GOVERNORS (continued)

FOR THE YEAR ENDED 31 JULY 2022

Staff support and development have been a priority this year with the Director of Higher Education leading on a number of programmes. The termly Teacher Wisdom event aims to bring the teaching team together to reflect and share approaches to practice, within the wider context of pedagogical approaches and models. 10 staff have engaged in working towards Higher Education Academy Fellowships, and Central held its second Research and Scholarship Day, with participation and attendance by Central staff, as well as peers from Middlesex University, Rambert School of Ballet and Contemporary Dance, Elmhurst Ballet School, and English National Ballet School. The key note was given by Dr Sandie Bourne, British Black Ballet Project, with the day also reflecting on approaches to teaching, collaborative practice, and medical science and dance training.

In parallel to these activities, Central School of Ballet completed its application for self-registration with the Office for Students, and was added to the register as an independent Higher Education Provider on 9 June 2022, with all of our students transferring to registration with Central from the Conservatoire of Dance and Drama on 1 August 2022. As part of the assessment the Office for Students commissioned the Quality Assurance Agency to carry out a Quality Standards Review in January 2022, which due to the rise of the Covid omicron variant included an online visit. The Review panel found with full confidence that Central School of Ballet met the quality and standards thresholds. Central School of Ballet has now revised its policies and procedures, to reflect our independent status, and has set up a revised Committee structure to ensure we properly monitor and continue to manage matters of quality as well as compliance. There is now a Learning and Teaching Committee, a Research and Ethics Committee, and an Access and Participation Committee, reporting to the Academic Board, which leads on academic compliance and quality assurance for the Board of Governors. A Schedule of Business has also been developed for the Board of Governors, and the Finance, Audit, and Remuneration and Nominations Committee.

Underpinning all of Central's work is a commitment to our community of students, staff, participants and wider stakeholders. The Diversity and Inclusion Forum, a mixed group of staff and students, continues to focus on the way we work, the Student Voice Forum, offers a formal dialogue between staff and students, and a number of surveys and feedback loops, allow us to understand where we are working well and where we may need to improve. The overall satisfaction rate for Central School of Ballet in the National Student Survey of 2022 rose to 92%.

Board of Governors

Central School of Ballet's Board of Governors, led by Chair Ralph Bernard CBE, have provided invaluable advice and support in this exceptional year, as well as maintained a strong line of continuity in a time of premises change, in the context of the social and economic impacts of Covid 19 and disaggregating from the Conservatoire for Dance and Drama (CDD). At the end of the accounting period the Board membership totalled 17 (2021: 16) and this remains in-line with the Office for Students (OfS) stipulations and with the three requisite sub-committees: Audit, Finance, and Remuneration and Nominations. Central's Student Liaison Governor remains in place, attending most of the Student Voice Forums each academic term. The Board expressed its gratitude to Susan Scott-Parker, Andrew Tuckey and Jonathan Wood, who retired from the Board in April 2022.

Central School of Ballet's Board of Governors has remained strongly populated in terms of both numbers and breadth of skill sets continuing to ensure appropriate representation to effectively meet the school's immediate and longer term needs and objectives. Whilst the Board of Governors took the decision to extend beyond a term of 9 years the critical members of the Board for the duration of the capital project, the Executive Director and the Remunerations and Nominations Committee are beginning a retirement and recruitment plan of Board Members in November 2021. We are grateful for the sustained contributions of Deputy Chair Andrew Tuckey, Susan Scott-Parker, and Jonathan Wood who stepped down, and welcome James Harvey, Dawn Farrow, Mark Goodey, Elizabeth Edwards and Ed Kemp who have now joined the Board.

New Premises

The lease of The Countess of Wessex Studios at the Paris Gardens site in Southwark gives a rent-free period (in cash terms) for the initial years of the lease to 1 January 2023 to enable the fundraising campaign and building fit-out.

Higher Education courses:

Intake Academic Year 2021/2022

In person preliminary auditions for 22/23 entry were held in London, Leeds, Glasgow and Italy, with online auditions held in Japan. The second round UK in person audition was in London. To enable access applications are now permitted via video for international and UK applicants. These applications are managed in a two-stage process that parallels that of the in-person audition. A total of 45 students were offered and accepted places for new starters for the academic year 2022/23, including 10 international students.

**THE CENTRAL SCHOOL OF BALLET CHARITABLE TRUST LIMITED (the “Trust”)
(A company limited by guarantee)**

REPORT OF THE BOARD OF GOVERNORS (continued)

FOR THE YEAR ENDED 31 JULY 2022

Undergraduate student outcomes

The School’s Board of Examiners was held on 21st July 2022. Representatives from Central, the University of Kent and External Examiners attended online or in-person. The Board members approved all recommendations and processes utilised by the School. The results of the undergraduate courses were very good with 31 students achieving Foundation Degree Pass (4 deferrals; 1 withdrawal), and 39 students achieving the BA (Hons) Top-up Professional Dance and Performance (1st (7); 2:1 (25); 2:2 (7); and 1 deferral)

Please note that, this academic year (2021/22) the University of Kent did not operate a ‘No Detriment Policy’ to mitigate the negative impacts of Covid 19 on learning outcomes. Therefore all usual academic regulations were reinstated.

MA Choreography

The two ongoing (Jan 2020 intake) MA choreography students were able to continue their learning, develop their choreographic skills and complete projects throughout the year. They have each made good progress and have been granted extensions to complete in October 2022. The three New (Jan 2021) intake students have made a great start to their studies and worked with first year undergraduate students to create dance works for the end of year show.

External Examiners

In September 2021, two new External Examiners, Carla Trim-Vamben (Contextual focus) and Kit Holder (Practical focus), commenced their four-year tenure. Debbie Lee-Anthony, an ongoing external examiner, continued to oversee the MA Course for this academic year providing a hand-over and mentor role for the new External Examiners. At time of writing, we have not yet received the External Examiners’ reports. However, their feedback at the Board of Examiners meeting was extremely positive. They all commented on the high standard of student work and the school’s achievement in realising very good student outcomes.

Graduate Employment

Before graduating two students were selected for professional development opportunities with Birmingham Royal Ballet and Scottish Ballet with both performing on tour with the companies. Students who received offers of paid contracts include the following Companies: Scottish Ballet, Tulsa Ballet USA, Serbischer National Ensemble Germany, NOISM Company Japan, Ballet Theatre UK, Ballet de Barcelona, P&O Cruises, Disneyland Paris, State Opera House Bulgaria. Many students found placements in further training and these included Joffrey Ballet Studio Company, Ballet Cymru Pre-Professional Course, EBB Junior Company France and Northern Ballet Professional Graduate Programme. One student was chosen for ‘Swan School’, an initiative set up by Matthew Bourne’s New Adventures to identify talent and develop the dancers into company employees. Some students are also moving into other training (accountancy, teaching, sports science). A small handful are continuing to take classes and attend auditions through the summer and beyond.

Central maintains close links with its alumni and is grateful for alumni participation in outreach talks, workshops and teaching. Examples this year include Scottish Ballet Soloist Thomas Edwards spent a day whilst in London with the company, teaching the Central Boys across year groups; Lucy Casson, Casting Director (former alumni) facilitated an audition for male students to audition for a new musical, Newsies at Wessex Studios with some students attending further recalls; Amber Doyle delivered a workshop to third years to introduce the students to working freelance in the Musical Theatre and Film world.

3rd year students took part in exchanges with Elmhurst Ballet School in Birmingham, where students collaborated in creative practice workshop and with Laban, where Laban students visited Wessex Studios sharing the work of Joel Brown (MA choreographer) alongside 3rd years sharing some of the BC repertoire.

International Development

Annual auditions took place in person in Italy where four places were offered on the HE course, and one scholarship place to the Summer school. Auditions in Japan were conducted virtually, with applicants assembled in dance studios in Japan and Central staff within studios at Central. Offers were made to students to join Year 1 and the summer school.

National Student Survey 2022

The National Student Survey (NSS) gathers students’ opinions on the quality of their courses. At Central, it is completed by our second year Foundation Degree students. The NSS data help to inform prospective students’ choices, support institutions in improving the student experience, and facilitate public accountability. For 2022, the Central NSS results were extremely positive. The rates of satisfaction for all areas of the student learning experience are significantly higher than last year with the main learning and teaching scores exceeding 90% and overall satisfaction rising from the pandemic 20/21 low of 77%, back to 21/22 92%.

THE CENTRAL SCHOOL OF BALLET CHARITABLE TRUST LIMITED (the "Trust")
(A company limited by guarantee)

REPORT OF THE BOARD OF GOVERNORS (continued)

FOR THE YEAR ENDED 31 JULY 2022

Ballet Central Tour 2022

The 21/22 Ballet Central cohort (3rd years) were able to complete their first full year of training since the beginning of the pandemic in 2020. Following 2 years of disruption to training it was a priority to provide a tour that offered performance opportunities in as many settings as possible.

December (end of Autumn Term) was the Winter Showcase at Wessex Studios where students performed extracts of The Phantom of the Opera, Unbound by Mikaela Polley (Artist in Residence) and a short sketch by Mthuthuzeli November. MP piece showcased their versatility in both classical and contemporary with students able to perform in both elements across 4 performances. In addition there was a special school's performance for local students followed by a Q & A.

The BC tour comprised of 11 venues and 12 performances between April and July. The repertoire was challenging giving opportunities to the full company (41) to performance in several pieces and at most venues (9). Choreographers for this year comprised of Ashley Page, creating a classically challenge work to music by John Adams, Cathy Marston, who's beautiful contemporary piece created on Ballet Junior de Geneve (staged by Jenny Tattersall) showcased the students sensitivity in contemporary partnering skills, Mthuthuzeli November, who's Winter Showcase sketch was developed for the full company and Mikaela Polley, AiR, who also developed her Winter Showcase piece which again provided opportunity for the full company to perform.

Repertoire:

Twice Removed - by Ashley Page (genre classical)

Moving, Still - by Cathy Marston (genre contemporary)

Sunset in Cape Town - by Mthuthuzeli November (genre contemporary with South African influences)

Unbound - by Mikaela Polley (genre classical and contemporary)

In addition to the BC tour, 3rd Years also performed at 2 School performances at The Britten Theatre. An excerpt of Twice Removed was performed for The School's Ukranian Gala at Sadlers Wells Theatre. Students also performed in sharings for Fundraising events, Associates, Junior School, Spring Course participants and the school's Orientation Day at Wessex Studios. One student also performed at the Tribute Event for Sherill Wexler at Wessex Studios.

Students were also able to perform their graduate solos at the Britten Theatre as part of their graduation to a full audience of family, friends, staff and 1st and 2nd year students. A huge accomplishment to perform individually and showcasing the talents of each student.

Student Support

During the year Central provided students with £202,254 of financial support (2021: £227,798) in the form of cash bursaries and fee scholarships. This enables talented students to join Central and/or continue their studies. £116,778 of the support funding that Central distributed was generated through generous donations received from trusts, foundations and individuals by the Development department; £34,315 of cash bursaries plus £2,000 fee waivers was distributed from higher rate fee income (HFI) as part of our Access and Participation Plan (APP) commitment within the CDD and Higher Education framework. Further spends under the APP to ensure access, progression, success and to prevent hardship met additional need. Central was able to deliver support to students in excess of the requirements of the APP. The identified targets of the APP are those groups underrepresented within Central's student populations: those from low income backgrounds, those from black, brown and minority ethnic families, those from low participation neighbourhoods and those with disabilities.

Junior and Associate School

The start of the academic year saw a return to in-person classes for both the Junior School and the Associate programme. Associate School numbers had remained consistent throughout the duration of Covid although Junior school numbers had decreased, this academic year saw a gradual increase in Junior School attendees. The Junior School has attracted just over 25% of new students to the school this year. Both programmes returned to delivering a full programme of activity including the annual Induction Day, the customary talk for year 11 pupils and their parents regarding Higher Education options and the Creative Choreography Day for the Associates. This year, Mark Bruce Company were the guest choreographers. The annual Associate Programme auditions saw a return to numbers pre-covid whilst the annual Prep and Pre-Senior Open Day reached maximum capacity numbers. The academic year ended with an opportunity for all younger pupils to perform in the Gable Studio Theatre alongside students from all three-year groups of the degree programme. This was very well received by students and parents alike.

**THE CENTRAL SCHOOL OF BALLET CHARITABLE TRUST LIMITED (the "Trust")
(A company limited by guarantee)**

REPORT OF THE BOARD OF GOVERNORS (continued)

FOR THE YEAR ENDED 31 JULY 2022

Dance Days and Courses

A full programme of Dance Days and courses were delivered in 2021-2022 with visits to both Leeds and Glasgow as part of the audition opportunities for the BA degree. The Dance Day in Glasgow reached its highest number of applicants in the last ten years. Half term courses flourished particularly the 4-7 years ballet and arts and craft courses which attracted maximum numbers. Due to the school's relocation, opportunities to perform in the studio theatre at the end of a course has proved to be a huge attraction. *Dance Around the World*, an affordable one-day course which is designed to introduce young people to other forms of dance and cultures and was introduced whilst online, continues to be popular and has attracted a diverse group of young people to dance, many of whom, were new to dance. The International Summer Course was hugely popular with a number of alumni returning to Central to teach on the course. The two-week programme ended with a celebratory performance in the studio theatre to a maximum capacity audience.

Widening Participation and Ballet Central Joint Projects

The autumn term ended with a showcase of work performed by the third-year undergraduates and attended by dance students from a local secondary school. The Widening Participation department worked with the third-year students in preparing them for working with school children as part of Central's outreach programme. A number of undergraduates later assisted in the delivery of dance workshops as part of a 5-week primary school programme in Southwark schools.

New initiatives in 2021/2022

In May half-term, the school piloted 'themed' ballet days as part of the one-day intensive ballet programmes with students learning rep from specific ballets including *La Sylphide* and *La Fille Mal Gardee*. These proved very successful

Central Nights and Central Sundays

Central Nights and Central Sundays relaunched at Wessex Studios in September 2021, with new and regular participants taking evening and Sunday classes in ballet (at beginner, intermediate and advanced level), Contemporary African Dance, Contemporary and Jazz.

President's Circle

Central's President Circle led by Lady Sieff continue to support the school's regular activities and operations.

Director's Circle

A number of donors have joined the newly formed Director's Circle offering philanthropic support for the world class training of Central's students.

Patrons

Central's Patrons continue to support and offer expert advice on Central's work.

Governors

The Governors who served during the year are shown on page 1. Governors are appointed according to the Memorandum and Articles of Association and may be nominated by existing Governors.

Subsidiary undertaking

The Charity has a wholly owned trading subsidiary, Ballet Central Limited, which did not trade during the year as its activities were incorporated within Central.

Financial review

The Covid 19 impact on recruitment and outreach within the previous financial year was seeing during Central's activity for year ended 31 July 2022, reducing both HE and non-HE income. The financial year ended with a loss on activities of £-90,798 on the usual operating activities of the school (2021: a surplus of £19,658).

The residual project costs of the new premises were paid out (funded from specific restricted funds brought forward from prior years plus the year's fundraised income), of which £143,267 was capitalised and £337,624 depreciation expensed. There was an additional accounting impact of £133,286 in notional rent related to the new building lease (due to the agreed rent-free period having to be spread over the life of the lease in accordance with FRS 102). This non-cash accounting rent charge during the rent free period will result in lower rent accounting charges in future accounting years, relative to the actual rent paid in those years.

THE CENTRAL SCHOOL OF BALLET CHARITABLE TRUST LIMITED (the "Trust")
(A company limited by guarantee)

REPORT OF THE BOARD OF GOVERNORS (continued)

FOR THE YEAR ENDED 31 JULY 2022

Financial review (continued)

The overall position was a loss of £-581,769 (2021: £834,138, due to capital fundraising). The deficit reflects the impact of Covid 19 on recruitment and generated income within 2019/20 and 2020/21 and continuing into 2021/22 with reduced applicants to the school's courses, attendees onsite and in theatre audiences.

Central registered as an independent provider with the Office for Students (OfS) from 9 June 2022, having been a member since 2004 of the Conservatoire for Dance and Drama (CDD) which closed in November 2022 through a Members' Voluntary Liquidation (MVL). As the organisation adapts to the new Southwark premises, repayments on loans for the building are required, and OfS scrutiny of long-term financial sustainability, the Board has continued to model a number of financial scenarios within the context of the School's longer-term sustainability strategy, and within the OfS 5 year forecasts. These models are regularly scrutinised as part of the Board's financial planning and risk management processes so that Central is adequately prepared to respond effectively to change, including reductions in government grant funding and changes to student fees and EU recruitment, developing new programmes and initiatives, and other business and community engagement opportunities.

Value for Money Review

The Audit Committee continues to undertake an annual Value for Money Review in order to provide further assurance to the Board that Central is delivering value to its students and other participants, including OfS (value for money is one of the four priorities in the regulatory framework and a statutory duty under new Higher Education and Research Act 2017), other funders and the students and programme participants across all areas of Central's work. The Audit Committee was satisfied that the School is delivering on the three priorities of benefit to students, benefit to country, and benefit to economy. Feedback from students on the quality of teaching, teaching resources, and employment prospects via the Student Voice Forum, student questionnaires and the National Student Survey is monitored and responded to and continues to show high levels of satisfaction against course provision, delivery and support.

Future prospects of Central

The School operates within an agreed planning framework, incorporating annual budgets and business plans, to meet the aims and objectives of Central's strategic plan and long-term financial sustainability. Strategies are in place to develop existing and new income streams as both part of sustainability planning, and in response to likely reductions in HE grant income and possible changes to student fees following the Augar Review of post-18 Education and Funding. The new Countess of Wessex Studios at Paris Gardens are a vital part of Central's future planning, giving facilities and space to expand activity and secure the organisation's long-term financial sustainability. Increased challenges in public funding are anticipated over the next 10 years.

Going concern

The Governors' and management's going concern assessment has been for at least, but is not limited to, 12 months from the date on which the financial statements are due to be authorised for issue. The dilapidations negotiations were ongoing at the date of issue of the accounts and a provision at an appropriate level was made. Following 14 years of stable institution specific targeted funding from the Office for Students (OfS) and previously the Higher Education Funding Council of England (HEFCE) via the Conservatoire for Dance and Drama (CDD), there was a reduction in government support for the performing arts. A new funding stream for specialist performing arts providers was secured for the 5 year period 22/23 to 26/27 with funding at a lower level, and transitional funds available to those providers leaving the existing grant stream to the new lower level one.

Forecasts have been prepared on a prudent basis, and in the context of funding reduced by government work is being done to enhance the resilience of the business model. Accruals and the level of transitional funding offered by OfS have been stress tested and the cashflow reviewed. The Board of Governors has a reasonable expectation that Central will continue in business for at least the next 12 months.

Investment policy

The Governors' investment powers are governed by the Memorandum and Articles of Association which permit the Trust's surplus funds to be invested as appropriate. The Board's investment policy is to produce the best financial return within an acceptable level of risk, aiming to balance financial return against immediate and planned spending requirements, within a risk averse framework. Accordingly funds are held as cash (or near cash) balances and are not invested in stocks and shares or other financial instruments. The Governors will continue to manage investments in conformity with this policy.

THE CENTRAL SCHOOL OF BALLET CHARITABLE TRUST LIMITED (the "Trust")
(A company limited by guarantee)

REPORT OF THE BOARD OF GOVERNORS (continued)

FOR THE YEAR ENDED 31 JULY 2022

Reserves policy

It is the policy of the School that unrestricted funds should, if possible, be maintained at a level equivalent to between three and six months expenditure, and at least £810,000 in actual value within year ended 31 July 2023. The Governors consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the School's current activities while consideration is given to ways in which additional funds may be raised. Unrestricted reserves at the end of the period amounted to £825,235 which should provide for approximately 3 months' usual operating expenditure cover. Key risks that the School has identified which may impact on future reserves levels include reductions in future funding, any further impact of Covid 19 and/or not achieving income or fundraising targets. Consequently the School has budgeted prudently for the forthcoming year and has strategies in place to diversify and grow non-government grant income streams alongside keeping costs under close review to help ensure that the minimum reserves targets continue to be met.

Remuneration of Key Management Personnel

The Remuneration and Nominations Committee reviews the Executive Director and the Senior Management Team salaries annually. In addition, non-contractual salary increases linked to inflation are considered annually by the Committee for all staff. Benchmarking forms part of the process, against other CDD schools and peer HEIs.

Asset cover

The School has sufficient assets to cover the commitments of its funds.

Connected charities and related parties

Up until 31 July 2022, the School was one of the schools of the Conservatoire for Dance and Drama, a Higher Education Provider of six schools dedicated to education in the fields of dance, drama and circus. Central successfully self-registered as an independent higher education provider with the Office for Students (OfS) from 9 June 2022. Due to the fact that all the member schools have sought alternative governance paths, plans have now been agreed and confirmed through a Members Agreement and Revised Articles of Association, for the dissolution of CDD after the departure of the members in July 2022 and the smooth transition of all CDD enrolled students to their alternative school registration.

THE CENTRAL SCHOOL OF BALLET CHARITABLE TRUST LIMITED (the "Trust")
(A company limited by guarantee)

CORPORATE GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 JULY 2022

The Governors of the Central School of Ballet Charitable Trust Limited are committed to exhibiting best practice in all aspects of Corporate Governance.

The School endeavours to conduct its business in accordance with the seven principles identified by the Committee on Standards in Public Life (selflessness, integrity, objectivity, accountability, openness, honesty and leadership) and with the guidance to institutions of higher education from the Committee of University Chairmen in its Guide for Members of HE Governing Bodies in the UK.

Central School of Ballet complies with the requirements of the Fundraising Regulator, including taking steps to safeguard vulnerable individuals. No complaints have been received during the year.

Status and administration

The School is established as a charitable company limited by guarantee and is registered as a charity with the Charity Commission. It has no issued share capital and the liability of its members in the event of the company being wound up is limited to a sum not exceeding £1. The School's affairs are governed by its Memorandum and Articles of Association which allow for any activities covered by the charity's objectives with no specific restrictions.

Taxation status

The company is a close company as defined by the provisions of the Income and Corporation Taxes Act 1988. As a charity, it is exempt from tax on its charitable activities. There has been no change in this respect since the end of the financial year.

Governance

The School is administered through its governing body, the Board of Governors. The Board meets regularly to discuss and formulate policy which is then implemented by the Principal and executive team. Members of the Board of Governors are appointed in accordance with the company's Articles of Association, serving for one period of three years renewable for a further two terms of three years each. During the period of the project, the Board of Governors took the decision to extend beyond a term of 9 years the critical members of the Board, reviewed after completion of the project.

With the capital project concluded, the Executive Director and the Remunerations and Nominations Committee have begun a retirement and recruitment plan of Board Members, acknowledging the success and contributions of longer serving members of the Board as they step down, and bringing in new Trustees with appropriate knowledge and skills to support Central in its next steps.

The Board has three requisite sub-committees: a finance committee, an audit committee, and a remuneration and nominations committee. From time to time the Board establishes other ad hoc committees or working groups to address specific strategic matters. A project steering committee drawn entirely from the Board membership was in operation and concluded business within year ended 31 July 2022. The remit of the project steering committee was to provide additional expertise and guidance in supporting both the Executive and the full Board of Governors in progressing the Wessex Studios building project and sustainability strategy.

Principal

The Executive Director, as Principal of the School, is appointed by the Board of Governors and has a general responsibility for ensuring that all public funds are properly applied to the School's activities.

Internal control and risk management

The Board has responsibility for maintaining a sound system of internal control that supports the achievement of the School's policies, aims and objectives, while safeguarding public and other funds and assets for which it is responsible. The system of internal control incorporates risk management and this encompasses a number of strands designed to identify and evaluate the risks faced by the School and to put in place an action plan to address and mitigate the impact of those risks.

The School has robust policies and procedures in place, as required by the Board of Governors, and these are developed by the senior management team and communicated to staff. A risk management policy and risk register are in place and both the policy and register continue to be kept under frequent review. In addition, a separate and specific project risk register is also in place, developed to underpin the risks associated with the new building and relocation project. Risks that have been identified by staff members are reported up through to the senior management team, which in turn reviews risks, develops mitigating strategies and timely action plans. The risk registers and associated monitoring plans are then regularly reviewed by the School's committees, which in turn report to the Board for further risk management reviews. Those risks deemed to be the most significant being kept under review by the Board of Governors directly.

THE CENTRAL SCHOOL OF BALLET CHARITABLE TRUST LIMITED
(A company limited by guarantee)

CORPORATE GOVERNANCE STATEMENT (continued)

FOR THE YEAR ENDED 31 JULY 2022

Key risks facing the School include the impact of the reduction of higher education funding, the reduced specialist funding for the performing arts and other grant and research income after leaving the Conservatoire for Dance and Drama (CDD); managing the transition to becoming a Higher Education Provider independently registered with the Office for Students (OfS); developing a new business plan considering alternative models to offset the loss of funding; the UK economic recession and levels of public funding; any further impact of Covid-19 on users and audiences; the reduction in EU students and in UK student fees; maintaining staff who have had a challenging few years managing Covid and the organisation's move; and managing the organisation's adaptation to the new premises; the development of new income-generating and community activities within the school following the move.

To address the risk of reduced funds in prior years, the School had focused efforts on the new premises, on growing existing programmes and exploring and piloting new ones, and developing new non-Higher Education income streams. Broadening international student recruitment following Brexit and Covid and ensuring the retention of students has become part of the sustainability strategy.

The move to new, larger and purpose-built premises supports the development of new income generating activities as well as the ability to accept a larger number of students and participants on the higher education programmes and other dance programmes, and gives staff better working conditions.

The additional challenge and key risk in 2021/22, beyond ensuring funding and fees cover the cost of the courses Central delivers, is developing a business model that generates sufficient income to repay the loans made for the fit-out of the Wessex Studios. The support of Southwark Council and the Arts Impact Fund brought both financial support and wider partnership benefits, with Southwark Council having named Central in its Cultural Strategy for the borough. Both associations have assisted with further fundraising, and Central is grateful to the individuals and trusts who have also supported the £10m capital campaign and enabled the move.

Another challenge is to attract and maintain trust and individual funding and support to deliver on the revenue income target which forms part of the core operating budget now that the capital campaign reaches completion. The School and Board of Governors will continue to invest resources to ensure that Central can take full advantage of opportunities while managing attendant risks.

The Board of Governors is responsible for reviewing the effectiveness of internal control of the School, based on information provided by the senior management team, and internal and external auditors.

THE CENTRAL SCHOOL OF BALLET CHARITABLE TRUST LIMITED
(A company limited by guarantee)

STATEMENT OF RESPONSIBILITIES OF THE BOARD OF GOVERNORS

FOR THE YEAR ENDED 31 JULY 2022

The Governors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the School and to enable them to ensure that the financial statements are prepared in accordance with the Statement of Recommended Practice on Accounting in Higher Education Institutions and other relevant accounting standards.

In addition, within the terms and conditions of the funding agreement with the Office for Students, the Governors are required to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company and of the surplus or deficit for that period. In preparing those financial statements, the Governors are required to:

- select the most appropriate accounting policies and appoint an audit committee to monitor their implementation, apply them consistently and disclose them adequately;
- make judgements and estimates that are reasonable and prudent;
- state whether appropriate accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the company will continue in business.

The Governors have taken reasonable steps to:

- ensure that funds from the Office for Students and Research England are used only for the purposes for which they have been given and any other conditions which the Funding Councils may from time to time prescribe;
- ensure that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources;
- safeguard the assets of the School and to prevent and detect fraud;
- secure the economical, efficient and effective management of the School's resources and expenditure.

The Governors also confirm that they have made all necessary enquires and taken such steps that they ought to, to ensure that they become aware of any relevant audit information and that they confirm that the company's auditors have been made aware of such information.

Auditors

A resolution proposing the re-appointment of Mazars as auditors was made at the Annual General Meeting.

Signed for and on behalf of the Board of Governors on 15 December 2022



.....
Ralph Bernard
Chairman

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS FOR THE YEAR ENDED 31 JULY 2022

OF THE CENTRAL SCHOOL OF BALLET CHARITABLE TRUST LIMITED

Opinion

We have audited the financial statements of The Central School of Ballet Charitable Trust Ltd (the 'charity') for the year ended 31 July 2022 which comprise the Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 July 2022 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity'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 report of the board of governors, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the report of the board of governors. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the report of the board of governors which includes the strategic and directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic and directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of the Trustees

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

In preparing the financial statements, the trustees are responsible for assessing the charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the charity and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation, anti-money laundering regulation.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the charity is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation, the Companies Act 2006 and the Charities Statement of Recommended Practice.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS FOR THE YEAR ENDED 31 JULY 2022

OF THE CENTRAL SCHOOL OF BALLET CHARITABLE TRUST LIMITED

In addition, we evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to income recognition and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

Use of the audit report

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

Nicola Wakefield (Senior Statutory Auditor) for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

2nd Floor, 6 Sutton Plaza, Sutton Court Road, Sutton, Surrey, SM1 4FS

Date Dec 20, 2022

Signed: 
Nicola Wakefield (Dec 20, 2022 14:03 GMT)

THE CENTRAL SCHOOL OF BALLET CHARITABLE TRUST LIMITED
(A company limited by guarantee)

INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JULY 2022

Income	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2022 £	Total 2021 £
Funding Council grants	4					
Teaching grant		425,574	-	-	425,574	400,304
Other grants		105,529	-	-	105,529	104,095
Government grants		-	-	-	-	33,837
Tuition fees & education contracts	5	1,725,448	-	-	1,725,448	1,690,086
Other income	6	161,046	262,962	25,000	449,008	1,643,427
Investment income	7	1,862	-	775	2,637	1,886
Total income		2,419,459	262,962	25,775	2,708,196	3,873,635
Expenditure						
Staff costs	8	1,812,751	-	-	1,812,751	1,687,898
Operating expenses	9	731,190	308,796	-	1,039,986	1,216,786
Depreciation	11	-	470,912	-	470,912	300,557
Total Expenditure		2,543,941	779,708	-	3,323,649	3,205,241
Surplus/(Deficit) on continuing operations before taxation		(124,482)	(516,746)	25,775	(615,453)	668,394
Taxation		33,684	-	-	33,684	165,744
Transfer between funds		-	-	-	-	-
Surplus on continuing operations after taxation		(90,798)	(516,746)	25,775	(581,769)	834,138
Retained reserves brought forward		916,033	3,221,049	539,423	4,676,505	3,842,367
Retained reserves carried forward		£825,235	£2,704,303	£565,198	£4,094,736	£4,676,505

All of the above results are derived from continuing activities. All gains and losses recognised in the year are included above.

In the previous year, the total income from unrestricted funds was £2,289,399, from restricted funds was £1,640,269 and from endowment funds was -£56,033. Total expenditure in the previous year from unrestricted funds was £2,435,485, from restricted funds was £769,756 and from endowment funds was 0.

Exceptional costs in this year and the previous financial year are explained in the financial review notes on pages 7 and 8.

The notes on pages 19 to 29 form part of these financial statements.

BALANCE SHEET

AS AT 31 JULY 2022

	Notes	2022 £	2021 £
Fixed Assets			
Tangible assets	11	15,977,841	16,276,042
Investments	12	100	100
		<u>15,977,941</u>	<u>16,276,142</u>
Current Assets			
Stock	13	509	3,281
Debtors	14	89,549	127,663
Cash at bank and in hand		2,018,020	2,444,909
		<u>2,108,078</u>	<u>2,575,853</u>
Creditors: amounts falling due within one year	15	<u>(1,390,125)</u>	<u>(1,482,884)</u>
Net Current Assets		<u>717,953</u>	<u>1,092,969</u>
Total Assets less Current Liabilities		16,695,894	17,369,111
Creditors: amounts falling due greater Than one year	16	<u>(12,601,158)</u>	<u>(12,692,606)</u>
Net Assets		<u>£4,094,736</u>	<u>£4,676,505</u>
Represented by:			
Unrestricted funds			
General funds	17	825,235	916,034
Designated fund	17	-	-
		<u>825,235</u>	<u>916,034</u>
Restricted funds	17	2,704,303	3,221,049
Endowment funds	18	565,198	539,422
		<u>3,269,501</u>	<u>3,760,471</u>
TOTAL		<u>£4,094,736</u>	<u>£4,676,505</u>

The financial statements were approved and authorised for issue by the Board of Governors on 15 December 2022 and were signed below on its behalf by:

2022 and were



.....
Ralph Bernard
Chairman of the Board of Trustees



.....
Mark Osterfield
Principal

The notes on pages 19 to 29 form part of these financial statements.

STATEMENT OF CASH FLOWS

AS AT 31 JULY 2022

	Note	2022 £	2021 £
Cash flows from operating activities	22	<u>(256,813)</u>	<u>833,741</u>
Cash flows from investing activities			
Interest income		2,637	1,886
Purchase of tangible fixed assets		<u>(172,713)</u>	<u>(2,750,449)</u>
Cash (used in) investing activities		<u>(170,076)</u>	<u>(2,748,563)</u>
(Decrease) in cash and cash equivalents in the year		(426,889)	(1,914,822)
Cash and cash equivalents at the beginning of the year		<u>2,444,909</u>	<u>4,359,731</u>
TOTAL CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		<u>£2,018,020</u>	<u>£2,444,909</u>

THE CENTRAL SCHOOL OF BALLET CHARITABLE TRUST LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR TO 31 JULY 2022

1. General Information

Central School of Ballet Charitable Trust Ltd is incorporated in England and Wales as a private company limited by guarantee (No. 1657717) and is a registered charity (No. 285398). The charitable company's registered office is: The Countess of Wessex Studios, 21/22 Hatfields, Paris Garden, London SE1 8DJ.

2. Accounting policies

2.1 Basis of preparation

The financial statements have been prepared under the historical cost convention in accordance with the revised Statement of Recommended Practice: Accounting for Further and Higher Education, issued in March 2014 and Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies. The financial statements have been prepared in compliance with FRS 102 with management taking into account all available information about the future to ensure the appropriate basis for accounting. The statements have been prepared on a going concern basis. The going concern assessment has been at least, but is not limited to, 12 months from the date on which the financial statements are due to be authorised for issue. The Board of Governors have reviewed prudent cashflows, considered ongoing funding streams and the value of accruals, and have a reasonable expectation that Central will continue in business for at least the next 12 months.

2.2 Income

Income from tuition fees is recognised on a receivable basis. Fees receivable are stated before deducting allowances, scholarships and other remissions granted by the School from its unrestricted funds but include contributions received from restricted funds and other grants.

Income receivable from the Office for Students (OfS) and Research England via the Conservatoire for Dance and Drama (CDD) is recognised in line with the latest estimate of grant receivable for an academic year.

Other income is also recognised on a receivable basis. Donations are recognised when the amount receivable is committed during the accounting year and received before the accounts are signed.

2.3 Expenditure

Expenditure is included on an accruals basis, inclusive of any irrecoverable VAT.

2.4 Tangible fixed assets

Tangible fixed assets costing more than £500 are capitalised and included in the financial statements at cost. Depreciation is provided at rates calculated to write off excess of costs over estimated residual amounts evenly over the estimated economic lives of each class of asset. These rates are as follows:

Plant and machinery	25% straight line
Fixtures and fittings	25% straight line
Premises lease with rent-free period over the lease term	Discounted value of lease payments over the lease term, capitalised and amortised with the discount factor of 3% (as determined by the Trustees)
Premises fit-out - structure	Straight line over the lease term
Premises fit-out - other	Straight line over periods of 10 - 30 years for different components

2.5 Operating and Finance leases

Rentals payable are charged on a time basis over the lease term. There are no assets held under finance leases.

2.6 School uniforms

The School's stock of uniform items is carried at the lower of cost and net realisable value.

2.7 Fund Accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the School and which have not been designated for other purposes.

THE CENTRAL SCHOOL OF BALLET CHARITABLE TRUST LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR TO 31 JULY 2022

Designated funds are those funds which have been designated by the Governors for use on specific projects within the objectives of the School.

Restricted funds are subject to specific conditions by donors as to how they may be used.

Endowment funds are those funds where the donor has specified that the capital is retained in perpetuity.

2.8 Pensions

The charitable company operated a defined contribution pension plan for its employees in accordance with UK government workplace pension obligations. A defined contribution plan is a pension plan under which the charitable company pays fixed contributions to a separate entity. Once contributions have been paid the charitable company has no further payment obligations.

The contributions are recognised as an expense in the Income & Expenditure account when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The amounts paid into the plan are held separately from the charitable company in independently administered funds.

2.9 Basic Financial Instruments

The Charity only holds basic financial instruments. These financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with the exception of any investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions.

2.10 Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

2.11 Debtors

Short term debtors are measured at transaction price, less any impairment.

3. Judgements in applying accounting policies and key sources of estimation uncertainty:

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. Although these estimates are based on management's best knowledge of the amount, events or actions, actual results may ultimately differ from those estimates. The directors consider the following items to be areas subject to estimation and judgement.

Depreciation:

The useful economic lives of tangible fixed assets are based on management's judgement and experience. When management identifies that actual useful economic lives differ materially from the estimates used to calculate depreciation, that charge is adjusted retrospectively. As tangible fixed assets are not significant variances between actual and estimated useful economic lives will not have a material impact on the operating results. Historically no changes has been required.

4. FUNDING COUNCIL GRANTS

	2022	2021
	£	£
Office For Students (via the Conservatoire for Dance and Drama)		
Teaching grants	425,574	400,304
Other grants	5,000	21,013
Research England (via the Conservatoire for Dance and Drama)		
Higher Education Innovation Fund	100,529	83,082
	<hr/>	<hr/>
	531,103	504,399
	<hr/> <hr/>	<hr/> <hr/>

All amounts relate to unrestricted funds in 2021 and 2022.

THE CENTRAL SCHOOL OF BALLET CHARITABLE TRUST LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR TO 31 JULY 2022

5. TUITION FEES AND EDUCATION CONTRACTS	2022	2021
	£	£
Overseas student fees (net of scholarships awarded of £20,573)	667,132	757,210
UK and EU student fees (net of scholarships awarded of £2,000)	769,015	769,596
General Studio hire	43,435	1,860
Audition fees	15,904	6,895
Other Senior School fees	23,999	24,548
WP programmes and events (including Spring and Summer courses)	61,814	42,418
Pre-Senior fees	83,147	51,765
Junior fees	61,002	26,319
Access to learning funds and WP funding	0	9,475
	<u>1,725,448</u>	<u>1,690,086</u>

All amounts relate to unrestricted funds in 2021 and 2022.

6. OTHER INCOME	2022	2021
	£	£
<i>Restricted and endowment donations</i>		
Building Development Fund	75,000	1,485,867
Ballet Central	16,695	13,800
Student support (restricted) – expended within current year	117,553	104,190
Student support (endowment) – expended in future years	25,000	(56,033)
Student and course delivery	53,714	24,431
Outreach	-	-
	<u>287,962</u>	<u>1,572,255</u>
<i>General</i>		
Donations	42,751	1,954
Evening Studio Hire	67,577	1,362
Other	6,457	42,138
Uniform sales	7,982	4,226
Ballet Central box office	36,279	21,492
	<u>161,046</u>	<u>71,172</u>
	<u>449,008</u>	<u>1,643,427</u>

Overseas student numbers reduced in year ended 31 July 2022 following a lack of international in-person auditions the previous year due to Covid-19 restrictions. Covid-19 restrictions during year ended 31 July 2021 also resulted in prior year reduced income for Pre-Senior and Junior School income, Widening Participation courses and programmes, Ballet Central box office income and Studio Hire. A government grant towards Covid-19 testing costs for staff and students increased other income in July 2021. The capital fundraising campaign concluded Summer 2021.

7. INVESTMENT INCOME	2022	2021
	£	£
<i>Restricted</i>		
Interest receivable	775	177
<i>General</i>		
Interest receivable	1,862	1,709
	<u>2,637</u>	<u>1,886</u>

THE CENTRAL SCHOOL OF BALLET CHARITABLE TRUST LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR TO 31 JULY 2022

8. EMPLOYEE & FREELANCE STAFF INFORMATION	2022	2021
	£	£
Salaries (including freelance staff)	1,656,060	1,537,301
Social security costs (employed staff)	122,542	116,732
Pension contributions (employed staff)	34,149	33,865
	<u>1,812,751</u>	<u>1,687,898</u>

All amounts relate to unrestricted funds in 2021 and 2022.

The average monthly number of employees and self-employed staff during the year was made up as follows:

	Number	Number
Full time	21	22
Regular part time	53	45
	<u>74</u>	<u>67</u>

The full-time staff decreased due to recruiting a PA to the Executive Director and two ballet tutor roles becoming shared part-time. Other part-time increases were in Ballet Central teaching staff and new evening and weekend receptionists.

The Key Management Salaries comprise the Senior Management Team that number 7 in total (full-time equivalent), and their total salary, benefits and employer national insurance contributions were £451,568 (2021: £526,997). Total emoluments payable to the principal in the year amounted to £104,614 (2021: £102,728) plus pension contributions of £3,041 (2021: £3,000). No further employees received annual emoluments totalling over £60,000 (2021: 2 totalling between £70,000-£80,000). Donations received from the principal totalled £3,000 (2021: 0). The total amounts paid in settlements was £0 (2020: £0).

None of the Governors received any remuneration in respect of their roles as trustees. Under the charity's memorandum and articles, remuneration for work undertaken in a capacity other than trustee is permitted. Expenses to Governors reimbursed during the year totalled £0 (2021: £0).

9. OTHER OPERATING EXPENSES	2022	2021
	£	£
University registration fees	42,185	24,149
Students and course delivery	71,999	27,350
Student support expenditure	145,657	163,070
Ballet Central expenditure	156,524	136,678
Outreach, learning and participation	6,306	2,018
Communications and marketing	57,367	47,851
Premises	359,986	521,551
Office equipment and insurance	84,212	70,235
Other office costs	26,246	15,609
Governance costs	1,007	-
Audit and accountancy	12,902	14,742
Other legal & professional	34,700	166,306
Bank and merchant charges	40,895	27,227
	<u>1,039,986</u>	<u>1,216,786</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR TO 31 JULY 2022

9. OTHER OPERATING EXPENSES (continued)

Other operating expenses includes £308,796 on fit-out costs/consultancy, student support, learning and teaching, the Ballet Central tour and Widening and Participation projects in relation to restricted funds (2021: £474,747).

Additional resources were allocated to student support in the form of cash bursaries of £179,681 (2021: £158,038) to help students in need with living costs to enable their studying at Central. Taken together with £22,573 fee discounts and scholarships deducted from tuition fee income in note 5, total student support amounted to £202,254 (2021: £227,798).

Included in Premises Costs are £2,208 of residual capital costs on fit-out at Wessex Studios (2021: £58,608). Included in Other Legal and Professional costs are £0 for fundraising, PR and other consultancy associated with the project (£88,141 in 2021). Included in audit and accountancy costs are £12,902 in respect of audit fees (2020: 14,742).

10. TAXATION

The charitable company is exempt from corporation tax on its charitable activities. During the year Theatre Tax Relief on prior year expenditure was claimed for the previous financial year ending 31 July 2021.

11. TANGIBLE FIXED ASSETS	Premises	Plant & Machinery	Fixtures & Fittings	Total
	£	£	£	£
<i>Cost</i>				
At 1 August 2021	16,666,374	450,757	118,142	17,235,273
Additions	143,267	12,080	17,365	172,712
Disposals	-	-	-	-
	<u>16,809,641</u>	<u>462,837</u>	<u>135,507</u>	<u>17,407,985</u>
<i>Depreciation</i>				
At 1 August 2021	776,209	134,506	48,516	959,231
Charge for the year	329,214	114,147	27,550	470,911
Disposals	-	-	-	-
	<u>1,105,423</u>	<u>248,653</u>	<u>76,066</u>	<u>1,430,142</u>
Net book value at 31 July 2022	<u>15,704,218</u>	<u>214,184</u>	<u>59,441</u>	<u>15,977,843</u>
Net book value at 31 July 2021	<u>15,890,165</u>	<u>316,251</u>	<u>69,626</u>	<u>£16,276,042</u>

On 17th December 2015 a new premises lease was signed for the Paris Garden site, effective 1st January 2016. Owing to the fact that the first 7 years of the 70 year lease to 31 December 2022 are rent free, the discounted value of the lease payments over the life of the lease have been discounted, capitalised and amortised over the life of the lease in accordance with note 2.4. This has resulted in a depreciation charge of £133,286 notional rent for the new building during the period. Depreciation of the fit-out of Wessex Studios within Premises fixed assets commenced June 2021 when the building was brought into use.

12. FIXED ASSET INVESTMENTS

£

Investment in subsidiary company

Historical cost at 1 August 2021 and 31 July 2022

£100

The company holds 100% of the 100 issued £1 ordinary shares of Ballet Central Limited a company incorporated in England and Wales. The company did not trade during the year and has net assets of £Nil.

THE CENTRAL SCHOOL OF BALLET CHARITABLE TRUST LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR TO 31 JULY 2022

13. STOCK	2022	2021
	£	£
School uniforms	£509	£3,281
	<u>£509</u>	<u>£3,281</u>
<p>£12,217 of stock was recognised as an expense during the year in accordance with uniform sales over the same period. (2020: £2,151)</p>		
14. DEBTORS	2022	2021
	£	£
Trade debtors	17,418	33,145
Prepayments and accrued income	72,131	94,518
	<u>89,549</u>	<u>127,663</u>
15. CREDITORS: amounts falling due within one year	2022	2021
	£	£
Trade creditors	115,363	201,597
Accruals	449,810	474,430
Taxes and social security costs	44,110	41,814
Loans payable – due in < 1 year	141,761	141,761
Other creditors	358,049	311,746
Deferred income	281,032	311,536
	<u>1,390,125</u>	<u>1,482,884</u>
16. CREDITORS: amounts falling due greater than one year	2022	2021
	£	£
Provisions for liabilities and charges	-	-
New Building Operating Lease Creditor	9,541,155	9,480,825
Loans payable – due in 2-5 years	60,003	182,923
Loans payable – due in 5 years+	3,000,000	3,028,858
	<u>12,601,158</u>	<u>12,692,606</u>

The new building operating lease creditor relates to the initial discounted capitalised value of lease payments over the 70 year lease, as included in Tangible Fixed Assets in note 11.

Two loan facilities are acting as bridging finance for the Wessex Studios project: £600,000 was loaned by the Arts Impact Fund (supported by Nesta, Arts Council England, Esmée Fairbairn Foundation, Bank of America Merrill Lynch and Calouste Gulbenkian Foundation) in 2018/19, and Southwark Council made available a secured loan of £3 million within 2019/20. As continuing security, Southwark has a first priority charge with a debenture with fixed and floating charges over all of the Company's assets including the fit-out of the building.

David and Jane Gosman generously converted their loan of £1.3 million to a gift within 2020/21.

THE CENTRAL SCHOOL OF BALLET CHARITABLE TRUST LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR TO 31 JULY 2022

17. ANALYSIS OF FUNDS	At 1 August 2021 £	Income £	Expenditure £	Transfers £	At 31 July 2022 £
Restricted Funds					
Building Development Fund	3,148,534	75,000	588,449	-	2,635,085
Garfield Weston	66,667	-	33,333	-	33,334
Leverhulme Trust, Support	-	50,923	50,923	-	-
Tabor Foundation	-	30,000	-	-	30,000
Christopher Gable Estate	581	-	-	-	581
Central Friends	-	4,532	4,532	-	-
General Student Support Fund	5,267	65,855	66,593	-	4,529
Other Restricted Funds	-	36,652	35,877	-	775
	<u>3,221,049</u>	<u>262,962</u>	<u>779,708</u>	<u>-</u>	<u>2,704,303</u>
Endowment Funds					
Gillian Fleet Legacy	539,423	25,775	-	-	565,198
Unrestricted Funds					
General School fund	916,033	2,419,459	2,510,257	-	825,235
Designated Capital fund	-	-	-	-	-
	<u>916,033</u>	<u>2,419,459</u>	<u>2,510,257</u>	<u>-</u>	<u>825,235</u>
TOTAL FUNDS	<u><u>4,676,505</u></u>	<u><u>2,708,196</u></u>	<u><u>3,323,649</u></u>	<u><u>-</u></u>	<u><u>4,094,736</u></u>

The Building Development Fund comprises donations and grants made from Trusts, Foundations and individuals to support the Wessex Studios new building project and the school's long-term sustainability strategy. The Garfield Weston Foundation have supported Central with a 3 year grant towards a community programme in Southwark, with spending within 2019/20, 2021/22 and 2022/23. The Leverhulme Trust provided funding to support students in financial need at undergraduate and postgraduate level. The Tabor Foundation grant was received July 2022 and supports new Wessex Studios equipment. The Christopher Gable Fund is a legacy fund of the late co-founder of the School, Christopher Gable, and was created to fund aspects of work delivering artistic excellence. The Central Friends fund comprises membership fees which are expended on Ballet Central and course delivery. The General Student Support fund is made up of generous grants and donations from a wide pool of donors to provide financial assistance to students in need of support. Other restricted funds comprise donations and grants generated to support specific programmes of work across the School, including support for the Ballet Central tour and productions and course delivery. The very kind legacy of the late Gillian Fleet is in support of talented students in financial need, awarded annually as a scholarship from 1 August 2021, with 50% of the funds invested in the creation of the Gillian Fleet Studio.

THE CENTRAL SCHOOL OF BALLET CHARITABLE TRUST LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR TO 31 JULY 2022

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total £
Fixed assets	-	15,977,841	-	15,977,841
Investments	100	-	-	100
Stock	509	-	-	509
Debtors	89,549	-	-	89,549
Cash and bank	1,383,604	69,218	565,198	2,018,020
Liabilities	(648,527)	(13,342,756)	-	(13,991,283)
	<u>825,235</u>	<u>2,704,303</u>	<u>565,198</u>	<u>4,094,736</u>

19. CAPITAL COMMITMENTS

At 31 July 2022 the School had £0 of outstanding commitments in relation to capital expenditure (2021: £131k), for a design and build contract with Kier Services Ltd for the fit-out of the new Wessex Studios premises in London SE1.

20. OPERATING LEASE COMMITMENTS

At 31 July 2022, the School had total commitments in respect of operating leases which expire in the period shown:

	Land and buildings 2022 £	Land and buildings 2021 £	Other 2022 £	Other 2021 £
Within one year	115,500	-	2,407	3,447
Two to five years	839,025	726,825	-	2,407
Over five years	7,315,676	7,543,376	-	-
	<u>£8,270,201</u>	<u>£8,270,201</u>	<u>£2,407</u>	<u>£5,854</u>

During the year, a notional rent cost of £133,286 was additionally expended reflecting the 7 year rent-free period of the 70 year lease.

£12,198 (2021 £185,473) was expended relating to rental costs in respect of assets held under operating leases.

21. PENSION COMMITMENTS

The charitable company operates a defined contribution pension scheme. The amounts paid into the scheme are held in an independently administered fund (B&CE - The People's Pension). The pension cost charges to this workplace pension scheme represent contributions payable by the company to the fund and amounted to £31,104 (2021 £30,865). There was £3,126 outstanding at the balance sheet date, included in creditors. In addition, the company was liable to pay contractual pension contributions for the Director which amounted to £3,045 (2021 3,000).

THE CENTRAL SCHOOL OF BALLET CHARITABLE TRUST LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR TO 31 JULY 2022

22. RECONCILIATION OF NET INCOME TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES

	2022	2021
	£	£
Net income for the year	(581,769)	834,138
Add back depreciation charge	470,912	300,557
Deduct interest income shown in investing activities	(2,637)	(1,886)
(Decrease)/increase in stock	2,772	1,205
(Decrease)/increase in debtors	38,114	1,108,117
(Decrease)/increase in capitalised building lease creditors	60,329	50,274
(Decrease)/increase in other creditors	(92,756)	(85,828)
Repayment of borrowings	(151,778)	(72,836)
Loan converted to gift	-	(1,300,000)
	<u> </u>	<u> </u>
Generated cash used in operating activities	<u>(£256,813)</u>	<u>£833,741</u>

23. ANALYSIS OF NET DEBT

	At 1 August			At 31 July
	2021	Cashflows	Other non-cash	2022
	£	£	changes	£
			£	
Cash and cash equivalents				
Cash	2,444,909	(426,889)	-	2,018,020
Overdrafts	-		-	
Cash equivalents	-			
	<u>2,444,909</u>	<u>(426,889)</u>	<u>-</u>	<u>2,018,020</u>
Borrowings				
Debt due within one year	(141,761)	151,778	(151,778)	(141,761)
Debt due after one year	(3,211,781)		151,778	(3,060,003)
	<u>(3,353,542)</u>	<u>151,778</u>	<u>-</u>	<u>(3,201,764)</u>
TOTAL	<u>(908,533)</u>	<u>(275,111)</u>	<u>-</u>	<u>(1,183,744)</u>

THE CENTRAL SCHOOL OF BALLET CHARITABLE TRUST LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR TO 31 JULY 2022

24. FINANCIAL INSTRUMENTS

	2022 £	2021 £
Financial assets		
Financial assets measured at fair value through profit or loss	2,107,569	2,478,053
	<u>£2,107,569</u>	<u>£2,478,053</u>
Financial liabilities		
Financial liabilities measured at amortised cost	13,670,440	13,820,933
	<u>£13,670,440</u>	<u>£13,820,933</u>

- Financial assets measured at fair value through profit or loss comprise cash at bank and trade debtors.
- Financial liabilities measured at amortised cost comprise of creditors, both within one year and greater than one year excluding other tax and social security and deferred income.

25. MOVEMENT IN FUNDS - 2021

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2021 £
Income					
Funding Council grants	4				
Teaching grant		388,500	11,804	-	400,304
Other grants		104,095	-	-	104,095
Government grants		33,837	-	-	33,837
Tuition fees & education contracts	5	1,690,086	-	-	1,690,086
Other income	6	71,172	1,628,288	(56,033)	1,643,427
Investment income	7	1,709	177	-	1,886
Total income		<u>2,289,399</u>	<u>1,640,269</u>	<u>(56,033)</u>	<u>3,873,635</u>
Expenditure					
Staff costs	8	1,663,998	23,900	-	1,687,898
Operating expenses	9	742,039	474,747	-	1,216,786
Depreciation	11	29,448	271,109	-	300,557
Total Expenditure		<u>2,435,485</u>	<u>769,756</u>	<u>-</u>	<u>3,205,241</u>
Surplus/(Deficit) on continuing		(146,086)	870,513	(56,033)	668,394
Taxation		165,744	-	-	165,744
Transfer between funds		-	539,423	(539,423)	-
Surplus after taxation		19,658	1,409,936	(595,456)	834,138
Retained reserves brought forward		896,375	1,811,113	1,134,879	3,842,367
Retained reserves carried forward		<u>£916,033</u>	<u>£3,221,049</u>	<u>£539,423</u>	<u>£4,676,505</u>

THE CENTRAL SCHOOL OF BALLET CHARITABLE TRUST LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR TO 31 JULY 2022

26. ANALYSIS OF FUNDS 2021	At 1 August 2020 £	Income £	Expenditure £	Transfers £	At 31 July 2021 £
Restricted Funds					
Building Development Fund	1,734,431	1,486,044	611,364	539,423	3,148,534
Garfield Weston	66,667	-	-	-	66,667
Leverhulme Trust, Support	-	48,000	48,000	-	-
Valerie Heath Memorial Fund	3,276	-	3,276	-	-
Emily Hargreaves Scholarship Fund	404	-	404	-	-
Christopher Gable Estate	581	-	-	-	581
Central Friends	-	4,603	4,603	-	-
General Student Support Fund	5,754	68,084	68,571	-	5,267
Other Restricted Funds	-	33,538	33,538	-	-
	<u>1,811,113</u>	<u>1,640,269</u>	<u>769,756</u>	<u>539,423</u>	<u>3,221,049</u>
Endowment Funds					
Gillian Fleet Legacy	1,134,879	(56,033)	-	(539,423)	539,423
Unrestricted Funds					
General School fund	896,375	2,455,143	2,435,485	-	916,033
Designated Capital fund	-	-	-	-	-
	<u>896,375</u>	<u>2,455,143</u>	<u>2,435,185</u>	<u>(539,423)</u>	<u>916,033</u>
TOTAL FUNDS	<u><u>3,842,367</u></u>	<u><u>4,039,379</u></u>	<u><u>3,205,241</u></u>	<u><u>-</u></u>	<u><u>4,676,505</u></u>