

Central Language School Cambridge

Registered charity no: 1056074

TRUSTEES' REPORT

and

ACCOUNTS

for the year ended

31 August 2023

CONTENTS

	Page
Legal and administrative details	2
Trustees' report	3 - 4
Statement of financial activities	5
Balance sheet	6
Notes to the accounts	7 - 9
Independent examiner's report	10

**CENTRAL LANGUAGE SCHOOL CAMBRIDGE
LEGAL AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2023**

CHARITABLE STATUS

Registered charity no: 1056074

MISSION STATEMENT

The Central Language School is a small, friendly, city-centre School founded in 1996 by a group of Christians in Cambridge.

Our aim is to give students a warm welcome and an excellent opportunity to learn English in a caring, community atmosphere. Our general English courses, from Elementary to Advanced level, are run throughout the year for adults.

TRUSTEES

Mr Michael Priestley (Chairman)
Mrs Christine Bromwich
Mr Richard Colledge - appointed March 2023
Mr David Farrer (Treasurer)
Mrs Anna Lowe - appointed March 2023
Mr Graham Seed - resigned December 2023
Mr Andrew Watts
Mrs Elizabeth Watts
Mr Bartow Wylie

SCHOOL MANAGEMENT

Mrs Sian Serrano (Business Manager)
Mr James Dennis (Director of Studies)

REGISTERED OFFICE

Stoneyard Centre, 41B St Andrews Street, Cambridge CB2 3AR

BANKERS

Lloyds TSB, Cambridge

INDEPENDENT EXAMINER

Geoff Mann FCIE, Geoff Mann Ltd, Cambridge

CENTRAL LANGUAGE SCHOOL CAMBRIDGE

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2023

The Trustees present their Report for the year ended 31 August 2023, which incorporates the Legal and Administrative Details on Page 2.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Trust was established by Trust Deed and registered as a Charity with the Charity Commission in 1996. Under this Trust Deed the power to appoint Trustees is vested in the Trustees for the time being.

The Charity has a Board of Trustees who meet quarterly and are responsible for its strategic direction and policy. Senior management are appointed by the Trustees to manage the day to day operations of the charity.

OBJECTS, ORGANISATIONS AND ACTIVITIES

The Mission Statement of the Charity is stated on Page 2.

During 2022/23 the Charity continued to provide English Language teaching services at The Stoneyard Centre, 41B St Andrew's Street, Cambridge. The Trustees record with thanks the encouragement and assistance received from our landlords, St Andrew's Street Baptist Church.

During the past year we have had 211 full time students studying for a total of 1,027 student weeks on various courses. Students independently passed FCE, CAE, KET, PET and IELTS exams. There have also been 64 part time students. The Trustees record their thanks to the staff for their dedication to the work of the school and pastoral care of the students.

The language school continues to be fully accredited by the British Council and registered by the UK Border Agency. We also have membership of the English UK which is a national association of accredited English language schools and centres. The Trustees record their thanks to Mrs Sian Serrano (Business Manager), Mr James Dennis (Director of Studies) and all the staff for maintaining high standards of teaching, management and welfare at the school especially with the additional challenges posed by the Covid pandemic.

Many of our students have been accommodated with host families and the Trustees are grateful to all host families for their support of the school.

FINANCES

The attached accounts on pages 5 to 9 reflect the Trust's activities for the year and show the state of the finances at 31 August 2023. The Trustees are grateful to Mr Geoff Mann for his independent examination of the accounts.

CENTRAL LANGUAGE SCHOOL CAMBRIDGE
TRUSTEES' REPORT continued
FOR THE YEAR ENDED 31 AUGUST 2023

RESERVES POLICY

The Trustees have conducted a risk assessment and considered the level of unrestricted funds not committed or invested in tangible fixed assets ("the free reserves") that should be maintained by the charity to meet its liabilities and to sustain the organisation in the event of any unforeseen shortfalls in income. The Trustees have assessed the reliability of the charity's main sources of income and taken into account seasonal and market trends. The Trustees have examined the requirement for free reserves, i.e. those unrestricted funds not invested in tangible fixed assets, designated for specific purposes or otherwise committed. The Trustees consider that, given the nature of the organisation's work, the level of free reserves should be approximately four month's unrestricted funds expenditure (not including accommodation costs). This would equate to £57,000 based on current year expenditure. The Trustees are of the opinion that this provides:

- sufficient flexibility to cover temporary shortfalls in incoming resources due to timing differences in income flows
- adequate working capital to cover core costs
- an allowance to enable the organisation to cope and respond to unforeseen emergencies whilst specific actions are implemented.

Current free reserves amount to £59,917 and we will be working towards maintaining this level during the current financial year.

RISK REVIEW

The Trustees have conducted their own review of the major risks to which the charity is exposed and have agreed a risk management strategy which comprises :

- (i) an annual review of the risks which the charity may face;
- (ii) the establishment of systems and procedures to mitigate those risks identified in the plan; and
- (iii) the implementation of procedures designed to minimise any potential impact on the charity should any

On behalf of the Trustees
David Farrer

21 June 2024

**CENTRAL LANGUAGE SCHOOL CAMBRIDGE
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2023**

		TOTAL Unrestricted Funds 2023	TOTAL Unrestricted Funds 2022
	Note		£
INCOMING RESOURCES			
Fees & Accommodation	2	252,250	142,226
Student Excursions		6,024	2,223
Exam Fees		420	665
Airport Transfers		129	0
Book Sales		85	85
HMRC Furlough		0	402
Miscellaneous		111	154
Donations		1,900	216
Bank Interest		349	88
Total Incoming Resources		<u>261,268</u>	<u>146,059</u>
RESOURCES EXPENDED			
Costs of Generating Funds			
Publicity	3	671	654
Charitable Expenditure			
Operating Costs	6	232,997	158,176
Governance Costs	4	820	810
Total Resources Expended		<u>234,488</u>	<u>159,640</u>
NET MOVEMENT IN FUNDS		26,780	(13,581)
FUND BALANCES			
Brought forward 1 September 2022		<u>33,137</u>	<u>46,718</u>
Carried forward 31 August 2023		<u><u>59,917</u></u>	<u><u>33,137</u></u>

**CENTRAL LANGUAGE SCHOOL CAMBRIDGE
BALANCE SHEET
AS AT 31 AUGUST 2023**

	Note	2023 £	2022 £
CURRENT ASSETS			
Debtors	7	9,530	4,005
Bank Balances		121,394	52,913
Cash in Hand		11	124
		<u>130,935</u>	<u>57,042</u>
CURRENT LIABILITIES			
Creditors	8	71,018	23,905
TOTAL NET ASSETS		<u><u>59,917</u></u>	<u><u>33,137</u></u>
FINANCED BY: ACCUMULATED SURPLUS			
Unrestricted Funds		59,917	33,137
		<u><u>59,917</u></u>	<u><u>33,137</u></u>

Approved by the Trustees on 21 June 2024

David Farrer
Treasurer

CENTRAL LANGUAGE SCHOOL CAMBRIDGE
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2023

1 ACCOUNTING POLICIES

(a) BASIS OF PREPARATION OF ACCOUNTS

The accounts have been prepared under the historical cost convention and include the results of the charity's operations, which are described in the Report of the Trustees and all of which are continuing. They have been prepared in accordance with the Charities Act 2011 and 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 the Republic of Ireland (FRS 102) revised with effect from 1 January 2019.

Central Language School meets the definition of a public benefit entity under FRS 102.

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

The trustees do not consider that there are any 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 reporting period.

(b) INCOMING RESOURCES

Incoming resources are recognised in the year in which the charity is entitled to the receipt, and the amount can be measured with reasonable certainty. Income is only deferred when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

(c) RESOURCES EXPENDED

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

(d) PENSIONS

The charity contributes to money purchase, defined contribution schemes, on behalf of its employees. No liability exists in respect of pensions other than monthly contributions due which is included within creditors.

(e) DEBTORS

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

CENTRAL LANGUAGE SCHOOL CAMBRIDGE
NOTES TO THE ACCOUNTS continued
FOR THE YEAR ENDED 31 AUGUST 2023

1 ACCOUNTING POLICIES (continued)

(f) 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. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

2 FEES & ACCOMMODATION	2023	2022
	£	£
Fees & Accommodation	254,256	143,467
Less Agents Fees	2,006	1,241
	<u>252,250</u>	<u>142,226</u>
3 COSTS OF GENERATING FUNDS	2023	2022
	£	£
Publicity, Printing and Literature	671	654
	<u>671</u>	<u>654</u>
4 GOVERNANCE COSTS OF THE CHARITY	2023	2022
	£	£
Independent Examination Fee	490	480
Other Administration and Professional Fees	330	330
	<u>820</u>	<u>810</u>
5 STAFF COSTS	2023	2022
	£	£
The staff costs were:		
Wages and salaries	113,588	91,435
Social Security costs	1,378	1,887
Pension costs	2,577	2,226
	<u>117,543</u>	<u>95,548</u>
The average number of staff employed by the charity during the year was:		
Business Manager	1	1
Director of Studies	1	1
Part time administrators	1	1
Full time teachers	1	1
Part time teachers	6	5
	<u>10</u>	<u>9</u>

CENTRAL LANGUAGE SCHOOL CAMBRIDGE
NOTES TO THE ACCOUNTS continued
FOR THE YEAR ENDED 31 AUGUST 2023

6 OPERATING COSTS	2023	2022
	£	£
Staff Costs	117,543	95,548
Accommodation	64,355	29,218
General Office	1,714	1,083
Teaching Aids & Materials	757	798
IT Equipment/Website	4,512	2,537
Rent	26,051	15,968
Stationery	1,641	1,064
Telecoms	586	608
Insurance	1,254	1,199
Student Excursions	5,982	2,012
Refreshments	879	330
English UK	2,411	2,346
British Council	0	1,525
Donations	0	150
Bank & Credit Charges	4,055	2,281
Exam Fees	195	613
Social Activities	1,062	862
Misc	0	35
	<u>232,997</u>	<u>158,176</u>
7 DEBTORS	2023	2022
	£	£
Students	<u>9,530</u>	<u>4,005</u>
	<u>9,530</u>	<u>4,005</u>
8 CREDITORS	2023	2022
	£	£
Fees & Accommodation received in advance	57,621	21,246
Accruals	13,397	2,419
Suppliers	0	240
	<u>71,018</u>	<u>23,905</u>

9 PAYMENTS TO TRUSTEES

An amount of £594 (2022 £440) was paid to David Farrer, a trustee of the charity, for the provision of accountancy services. No other payments were made to trustees nor were any expenses reimbursed to them.

10 RELATED PARTY TRANSACTIONS

There were no related party transactions in the year that required disclosure.

**CENTRAL LANGUAGE SCHOOL CAMBRIDGE
INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF THE CENTRAL LANGUAGE SCHOOL CAMBRIDGE**

I report to the trustees on my examination of the accounts of the charity for the year ended 31 August 2023 set out on pages 2 to 9.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND EXAMINER

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Acts 2011 ("the Act").

I report in respect of my examination of your charity's accounts carried out under section 145 of the Act, and in carrying out my examination I have followed the applicable directions given by the Charity Commission under section 145(5)(b) of the Act.

INDEPENDENT EXAMINER'S STATEMENT

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

the accounting records were not kept in respect of the charity as required by section 130 of the Act; or

the accounts do not accord with those records; or

the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination

I have no concerns and have come across no other matters in connection with the examination to which attention should be brought in this report in order to enable a proper understanding of the accounts to be reached.

Geoff Mann FCIE
Geoff Mann Ltd
Dee House
Highworth Avenue
Cambridge

21 June 2024