

Registration number: 09101036

# Castleman Academy Trust

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2022

**CASTLEMAN ACADEMY TRUST**  
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**CASTLEMAN ACADEMY TRUST**  
**REFERENCE AND ADMINISTRATIVE DETAILS**

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<b>Members</b>	H E Duncan-Jordan Dr M E Grigsby S Magnus S Churchill M Brooke P Tuttielt
<b>Trustees (Directors)</b>	A Darley Dr M E Grigsby, Chair of Trustees A D Hanby J R Heppenstall R Moore, CEO (accounting officer) C J Shaw M R Sheldon N D Stebbing A McMullen (appointed 26 January 2022)
<b>Company Secretary</b>	G A McDonald, Director of Governance Operations
<b>Senior Management Team</b>	R Moore, CEO R Wood, Head of School (BFS) J Palmer, Head of School (BMS) S Bonham, Estates Manager M Kelly, Chief Financial Officer T Thorne, HR and Operations Director G McDonald, Director of Governance Operations J Bagwell, Headteacher (PFS) D Wilks, Executive Headteacher (BFS, BMS) G Allen, Headteacher (FMS) J Di-Pede, Headteacher (FFS)
<b>Principal and Registered Office</b>	Broadstone First School Tudor Road Broadstone Dorset BH18 8AA
<b>Company Registration Number</b>	09101036
<b>Auditors</b>	Albert Goodman Goodwood House Blackbrook Park Avenue Taunton TA1 2PX
<b>Bankers</b>	Lloyds Bank Plc Christchurch 4 Castle Street Christchurch Dorset BH23 1DU

## **CASTLEMAN ACADEMY TRUST**

### **TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2022**

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The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the financial statements and auditors' report of Castleman Academy Trust (the Trust) for the year ended 31 August 2022. The Trustees confirm that the Annual report and financial statements of the Trust comply with the current statutory requirements, the requirements of the Trust's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in October 2019. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

#### **Structure, governance and management**

##### ***Constitution***

The Trust is a charitable company limited by guarantee and was set up by a Trust deed on 24 June 2014.

The Trust is constituted under a trust deed dated 24 June 2014, as a Multi-Academy Trust.

The management of the Trust is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

The principal object of the Trust is to advance for the public benefit, education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing schools ("the mainstream Academies") offering a broad and balanced curriculum or educational institutions which are principally concerned with providing full-time education for children of compulsory school age.

##### ***Members' liability***

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

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

The management of the Trust is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

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

The Trust annually audits the skills and expertise of the Board members, identifying any areas where more expertise is required.

When positions become available, they are advertised locally and identify the specific area of need on the Trust Board (e.g. finance experience, HR experience etc).

Those who apply are interviewed by members of the Board and references asked for. Recommendations are made to the Board on successful candidates and these are voted on and recommended to Members for appointment.

Those who are successful undertake an Induction programme and are provided with a mentor to support them in their roles.

**CASTLEMAN ACADEMY TRUST**

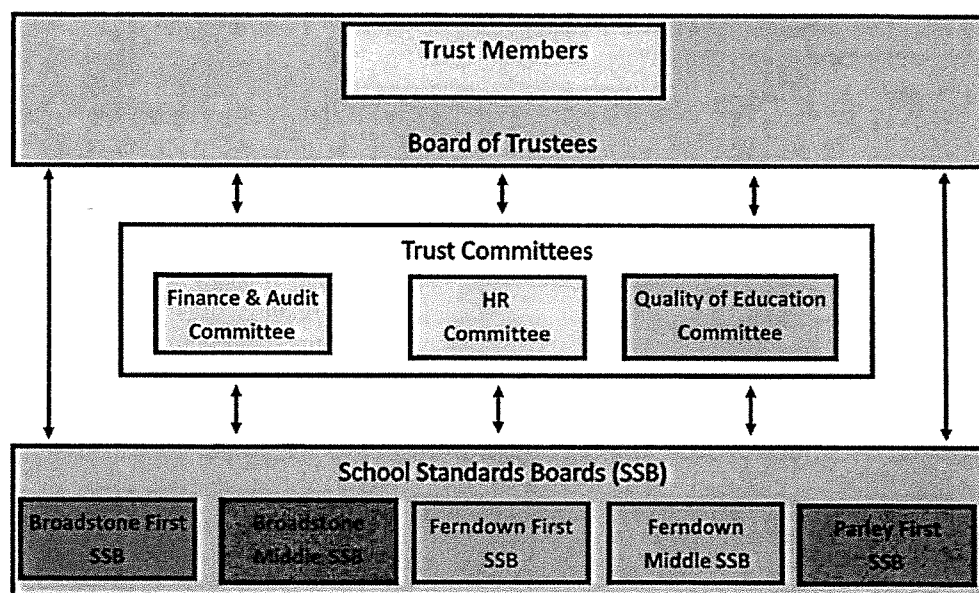
**TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2022 (CONTINUED)**

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**Organisational structure**

On the 1st January 2021, three schools joined Castleman Academy Trust - Ferndown First School, Ferndown Middle School and Parley First School, bringing the total number of schools in the Trust to five.

**CASTLEMAN ACADEMY TRUST STRUCTURE**



The Trust has defined the responsibilities of each person involved in the administration of Trust and School finances to avoid the duplication or omission of functions and to provide a framework of accountability for governors and staff. The financial reporting structure is illustrated below:

## CASTLEMAN ACADEMY TRUST

### TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2022 (CONTINUED)

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#### The Board of Trustees

The Board of Trustees has overall responsibility for the administration of the Trust's finances. The main responsibilities of the Board of Trustees are prescribed in the Master Funding Agreement and respective Supplemental Funding Agreements between the Trust and the DfE and in the Trust's Scheme of Delegation. The main responsibilities include:

- Ensuring that the grant from the DfE is used only for the purposes intended.
- Approval of the annual budget for each school and the Trust.
- Appointment of the Accounting Officer.

The Board of Trustees has wide discretion over its use of the Trust's funds, and is ultimately responsible for the proper stewardship of those funds and for ensuring economy, efficiency and effectiveness in their use - the three key elements of value for money. It must also ensure that it uses its discretion reasonably, and takes into account any and all relevant guidance on accountability or propriety.

The Trust Finance & Audit Committee is a committee of the Board of Trustees. The Committee meets at least 6 times a year, but more frequent meetings are arranged as necessary. The main responsibilities of the Finance & Audit Committee are detailed in written terms of reference which have been authorised by the Board of Trustees and they include:

- Providing guidance and direction for the annual budget process.
- Agreeing a mechanism for accounting for central Trust services and setting the annual contribution from each school.
- The review and authorisation of the annual budget of each school and any subsequent revised budgets submitted each school year.
- The regular monitoring of actual expenditure and income against budget.
- Ensuring the annual accounts are produced in accordance with the requirements of the Companies Act 2006 and the DfE guidance issued to academies.
- Authorising the award of contracts and leases over £10,000.
- Authorising changes to the central Trust personnel establishment.
- Reviewing the reports of the Audit Committee on the effectiveness of the financial procedures and controls. These reports must also be reported to the full Board of Trustees meeting.
- Monitor the application of the Pay Policy across the Trust and each of its schools.

## CASTLEMAN ACADEMY TRUST

### TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2022 (CONTINUED)

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#### Chief Executive Officer - Accounting Officer

The Chief Executive Officer is the appointed Accounting Officer and has overall personal responsibility for:

- Probity and regulatory compliance.
- Prudent and economical Trust administration
- Keeping of proper Trust accounts.
- Ensuring value for money and avoiding waste and extravagance across the whole Trust.
- Efficient and effective use of available Trust resources.

Much of the responsibility is delegated to the Chief Financial Officer to manage on a day-to-day basis. Additionally, within a framework that comprises the Trust vision, strategic objectives and school improvement plan, approved by the Board of Trustees, each Head Teacher has responsibility for their individual School Innovation Plans including the setting of their school's individual budget and financial activities, which is proposed by the Chief Executive Officer, then recommended by the Finance and Audit Committee and adopted by the Trust Board. Budgets are approved annually and as required.

#### Chief Financial Officer

The Chief Financial Officer works in close collaboration with the Accounting Officer through whom s/he is responsible to the Board of Trustees. The Chief Financial Officer also has direct access to the Board of Trustees and the Trust Finance & Audit Committee. The main responsibilities of the Chief Financial Officer are:

- The day to day management of financial issues including the establishment and operation of a suitable accounting system.
- The management of the Trust financial position at a strategic and operational level within the framework for financial control determined by the Board of Trustees.
- The maintenance of effective systems of internal control.
- Ensuring that the annual accounts are properly presented and adequately supported by the underlying books and records of the Trust.
- The preparation of monthly management accounts.
- Ensuring forms and returns are sent to the DfE in line with the timetable in the DfE guidance.

#### Other Staff

Other members of staff, primarily the School Finance Managers/Officers, School Finance Assistants and budget holders at each school, will have some financial responsibilities and these are detailed in the Trust Handbook, Castleman Academy Trust Financial Handbook and related job descriptions. All staff are responsible for the security of Trust property, for avoiding loss or damage, for ensuring economy and efficiency in the use of resources and for conformity with the requirements of the Trust's financial procedures.

#### ***Pay policy for key management personnel***

The pay scales for the Leadership Group are set out in the Whole School Pay Policy that is reviewed by the Trustees annually. Scales are based on the scale point of the school referring to number of students as set out within the DfE's School Teachers' Pay and Conditions Document (STPCD).

## **CASTLEMAN ACADEMY TRUST**

### **TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2022 (CONTINUED)**

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#### **Trustees' indemnities**

The Companies Act 2006 requires disclosure concerning qualifying third party indemnity provisions. Subject to the provisions of the Companies Act 2006 every Trustee or other officer of the Multi Academy Trust shall be indemnified out of the assets of the Multi Academy Trust against any liability incurred by them in that capacity in relation to the affairs of the Multi Academy Trust. The Castleman Academy Trust holds insurance in this regard to the value of £10,000,000.

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

Headteachers carry out Performance Management reviews of Senior Leaders in their schools. These are shared with the Chief Executive Officer and moderated to ensure equality across the Trust. At least two Governors, including the Chair of Governors (or their representative), meet to review and agree the recommendations of the Headteachers of each school.

Head Teacher's Performance Reviews are carried out by the Chief Executive Officer and the Chair of Governors from the school they are responsible for.

The Chief Executive Officer's Performance Review is carried out by two members of the Trust Board and assisted by an external advisor.

The HR Committee meets three times a year. In the Autumn meeting they review the recommendations for teaching staff pay changes (this includes the senior management team) and the recommendations for support staff pay changes.

#### **Objectives and activities**

##### ***Objects and aims***

Objects and Aims - taken from the Objects as described in the Articles of Association:

(a) to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing Academies which shall offer a broad and balanced curriculum.

##### ***Objectives, strategies and activities***

Castleman Academy Trust Vision statement approved by the Board of Trustees:

The Trust encourages and nurtures strong relationships between member schools and within our locality, fostering the dissemination of good practice and a self-sustaining culture of aspiration for education excellence across our schools. We aim to provide a sharp focus on accountability and continuous improvement in all our work and operate as a financially effective organisation so that resource can be focussed on ensuring the best possible learning for our students.

We revisit this annually to ensure our provision is fit for purpose and reflects the most up to date educational thinking and practice.



**CASTLEMAN ACADEMY TRUST**

**TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2022 (CONTINUED)**

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***Key performance Indicators***

The Trust has outlined its priorities for the year in the Trust Development Plan, the key priorities covering:

1. Develop a curriculum which prepares learners for the future, whilst addressing recovery from COVID disruption, and ensure they make the best possible progress.
2. Embedding and refining procedures and processes related to financial management and governance.
3. Develop CAT sites to ensure learning and working environments comply with Health & Safety regulation, support the work of individual schools and provide inspirational learning environments for learners and adults.
4. Continually look for ways to achieve economies of scale in staffing, procurement and professional services to ensure better value for money and savings that can be redirected to learning.
5. Develop and enhance SEND and Mental Health support and practice across our schools.
6. Ensure the workforce is highly skilled to ensure Trust objectives are met.
7. Securing long term security and stability for the Trust through reputational and offer excellence, thereby increasing pupil numbers and therefore funding. This will enable us to provide greater support to our schools to make them even more successful.
8. Ensure the well-being of staff is considered and supported to ensure their work/life balance, to support staff retention and recruitment.
9. Ensure that Governance at all levels is robust, fit for purpose and well supported.

## CASTLEMAN ACADEMY TRUST

### TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2022 (CONTINUED)

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#### *Activities for achieving objectives*

- High quality CPD programme for all staff, including leadership development.
- Curriculum provision that is contextual in approach, ensures total coverage of the National Curriculum
- "Cabinet Group" meetings to develop and refine curriculum principles, pedagogy, progression and offer.
- Appointing key staff to take responsibility for specific KPIs e.g. appointment of SEND Strategic Lead
- Regular monitoring of school performance, including inspections, reviews, observations, audits
- Rigorous Performance Management procedures for all staff in the Trust

i. Our aim is to be a leading Multi Academy Trust in southern England - Performance Indicators:

- All Trust schools to have an Ofsted outstanding rating.
- All Trust schools to consistently achieve attainment standards within the top 25% nationally.

ii. We want to achieve seamless progression across all key stages - Performance Indicators:

- Implement a 'through-life' teaching and learning strategy.
- Create a rich and motivating curriculum acknowledged through student and parental 'voice' feedback and independent verification.

iii. Maximise engagement with students, their families and the local community to be a part of a vibrant community by auditing the Trust's delivery of a 'safe, creative and ethical environment' with staff, parents and the local community.

iv. Build a viable and sustainable long-term Education Strategy - Performance Indicators:

- Produce and publish a Castleman Academy Trust Development Plan.
- Proactively support the conversion of Partnership schools to academy status with feedback via the Headteacher Steering Group.

v. Ensure that our Trust proactively adds value to member schools Performance Indicators:

- Trust Board to subjectively assess the quality of approved 'Added Value Projects' being successfully implemented each year; and/or assessment by School Standards Boards using questionnaires with ratings on added-value progress.
- Additional investment made available per year by becoming a Multi-Academy Trust - whether derived via economies of scale or other savings (measured as absolute quantum or % of total budget).

#### *Public benefit*

The Governors confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to the Charity Commissioner's general guidance on public benefit in exercising this guidance when reviewing the Trust's aims and objectives and in planning its future activities.

#### *Trade union facility time*

There are two union representatives in one Castleman Academy Trust school. They took two (2) hours of facility time.

**CASTLEMAN ACADEMY TRUST**

**TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2022 (CONTINUED)**

**Strategic Report**

**Achievements and performance**

**School summary**

School: Broadstone First School			
End of KS/Statutory Assessments (%)		School	Commentary:
	National		
EYFS	TBA	82	<p>Outcomes across school are either in line or above national for EYFS, end of KS1 and phonics screening checks.</p> <p>Despite continued disruption from COVID 19, we continued with offering our full curriculum. During the Spring and Summer terms we were able to resume school visits, visitors as well as launch whole school responsibilities and our University of Broadstone, all contributing to personal development and our aim to 'Prepare Children for a Life Well Lived.'</p> <p>The Summer Term, saw the start of a building development as a result of two successful CIF bids. The school now has more secure fencing around the site and a larger, additional front reception area, both contributing greatly to the security of the site.</p> <p>School continues to be oversubscribed, with waiting lists for each year group. We currently have 306 (+9) children on role.</p> <p>Development of the new curriculum has been a success, with clear progression maps for each subject in place. Key learning has been identified and supports teaching throughout year groups.</p> <p>It's important to note that COVID-19 was still very much present in schools throughout last year and did hinder at times. Due to absence from illness and isolation, there were times where children were learning from home and school was run differently in order to keep the school open for all children. Staff absence did impact negatively on all staff and COVID fatigue set in for many.</p>
Reading	67	67	
Writing	58	65	
Maths	68	70	
SPAG			
Year 1 Phonics	75	93	
Year 2 Phonics	N/A	95	
Year 4 Tables	N/A	55	
Attendance	95	94	

CASTLEMAN ACADEMY TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2022 (CONTINUED)

School: Broadstone Middle School		
End of KS/Statutory Assessments (%)		
	National	School
EYFS		
Reading	73	80
Writing	69	80
Maths	71	73
SPAG	72	87
Year 1 Phonics		
Year 2 Phonics		
Year 4 Tables		
Attendance	95	91.3

**Commentary:**  
 We were pleased with out end of KS2 outcomes for 2021-22. The pupils had a full curriculum offer following a disrupted time and achieved above national in all areas.

The school building has been on a transformation journey;

- all corridors have been painted white and grey
- most areas of the school have been carpeted
- stairways have been re-decorated
- fencing around the whole school site to ensure it is secure through the CIF bid is in place
- KS3 toilet project started in July 2022 and completed September 2022- open plan and gender neutral
- a new inclusion area (previously Y7 toilets and a small office) open plan area with an isolation room and a quiet pastoral space by the food technology room
- Renovated and redecorated the staffroom

During the summer term we had further educational visits and residential experiences for the children, Year 6 were able to go to London linked with their curriculum and we began to plan the KS3 residential to Paris for 2022 - 23. We ran our first UBC outcome in 2 years and parents were extremely positive about being welcomed back in. In addition to this, we ran book look evening and parents were able to see their children's work and discuss with class teachers.

**CASTLEMAN ACADEMY TRUST**

**TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2022 (CONTINUED)**

School: Ferndown First School			Commentary:
End of KS/Statutory Assessments (%)			
	National	School	
EYFS	TBA	66	We began the 2021/22 academic with a clear focus for school improvement and a determination that we would do all we could to build on the success of the summer term, hoping that the disruption since March 2020 was behind us, and we could begin returning to normal.
Reading	67	62	
Writing	58	49	
Maths	68	66	
SPAG			Whilst we had a very positive and settled start to the year, as October half term approached, Covid case rates began to rise again, and this had a substantial impact on attendance. This affected children and staff. Regrettably, this continued well into the Spring term, with very high staff absence in February and March.
Year 1 Phonics	75	76	
Year 2 Phonics	N/A	92	
Year 4 Tables	N/A	58	End of year statutory assessments were completed in 2021/22 for the first time since 2019. Despite our best efforts, outcomes fall just short of the national average overall in reading and in writing which is disappointing and doesn't reflect the school's typical profile, pre-pandemic. It will be interesting to explore the national data at a contextual level to see if specific groups at our school stand out.
Attendance	95	93.1	
			We know there is a particular barrier with spelling accuracy in independent writing which is a clear obstacle for some of our children and is being addressed through our SDP.
			Small group and individual "catch up" tuition was offered to children in both KS1 and KS2. In KS1 the focus was early reading and in KS2 the focus was spelling. This will continue in 2022/23
			Pupil progress information does give us confidence that our children are catching up and closing gaps. We are pleased that this is the case. It reflects the hard work and commitment to recover lost learning opportunities. We just need more time to support our youngest and most vulnerable learners.
			Unfortunately, our regular programme of performance, services and family events had to be curtailed in the Autumn and Spring but we were pleased to be able to invite our parents back to school for the first whole school Sports Day since 2019 and take our Y4 children on their much anticipated residential.

**CASTLEMAN ACADEMY TRUST**

**TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2022 (CONTINUED)**

School: Ferndown Middle School				
End of KS/Statutory Assessments (%)		National	School	<p>Commentary:</p> <p>Staffing and student absence, related to COVID, impacted on the overall results for Maths.</p> <p>English SPAG and reading are both above the national average, but the writing was very low.</p> <p>As a result, we are focussing on rewriting curriculum progression maps to address gaps and ensure learners access key learning concepts.</p> <p>This will ensure learners make better progress and gaps in learning due to the pandemic, are addressed.</p> <p>We are also focussing on provision for SEND learners, to ensure they catch up in line with their peers. .</p>
EYFS				
Reading	73	79		
Writing	69	54		
Maths	71	66		
SPAG	72	75		
Year 1 Phonics				
Year 2 Phonics				
Year 4 Tables				
Attendance	95	92.6		

School: Parley First School				
End of KS/Statutory Assessments (%)		National	School	<p>Commentary:</p> <p>We are particularly pleased with the improvement in the attainment of children across the school in 2021/22 in all areas.</p> <p>We are particularly pleased with the improvement in Writing standards although recognise that we still have more work to do to continue to improve standards to well above national standards.</p> <p>The percentage of children achieving a Greater Depth was also very encouraging with significantly higher percentage of pupils achieving across all core subjects. We are still awaiting the National data for the Multiplication check in order to make comparisons.</p> <p>We were disappointed with the percentage of the children a Good Level of Development however; we were pleased with eh average points scored for each pupil and have identified specific reasons for individuals not achieving the Good level of Development.</p>
EYFS	TBA	48		
Reading	67	75		
Writing	58	62		
Maths	68	77		
SPAG				
Year 1 Phonics	75	87		
Year 2 Phonics	N/A	96		
Year 4 Tables	N/A	85		
Attendance	95	95		

## CASTLEMAN ACADEMY TRUST

### TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2022 (CONTINUED)

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#### **Going concern**

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

We can be confident that we are a going concern due to:

- A) Government funding is supplied in line with funding formula, ensuring a sustained income.
- B) Our schools have stable numbers and planning shows that this should continue.
- C) The Trust is expected to grow, therefore income as well.

It is clear that the value of the funding being provided to schools, after adjusting for inflation is reducing and that the costs being experienced by schools are increasing, in particular with regard to energy and staff wages and salaries. The Trust has approved sustainable budgets for the coming three years, which envisage a small usage of the Trust's reserves in accordance with the Reserves Policy.

As such, the Board of Trustees believe that the financial position of the Trust remains secure and viable.

#### **Review of activities**

- Continuation of the COVID 19 Pandemic response including staff training and site review and refurbishment to ensure greatest level of COVID security possible.
- Development of Trust structure, financial plans and governance in preparation for an expanded Trust, including an External Governance review.
- Marketing activities and developing school processes to ensure continued high levels of subscription to schools.
- Rolling programme of site maintenance in place to ensure site is managed effectively, is health and safety compliant and fit for purpose
- Successful bidding for CIF money to carry out major site works
- ICT strategic responsibility post in place and developed over the year to ensure value for money and long-term viability of IT resource and delivery
- Appointment of SEND Strategic Lead to support common and streamlined SEND practice and procedures across Trust Schools.
- Major commitment to SEND learners through the establishment of Resourced Bases for specific SEN children
- All positions successfully recruited to for 2021/2022
- Governor training and development
- Staff training to ensure staff understand excellent progress and how they can impact on this.
- Maintained links and reviewed structures with other Multi Academy Trusts both locally and nationally to ensure that optimum structures and opportunities are maintained.
- Continual exploration of developing relationships with other schools in the local area to further optimise and improve academic and financial performance.

## **CASTLEMAN ACADEMY TRUST**

### **TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2022 (CONTINUED)**

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#### **Financial review**

##### ***Impact of COVID-19 for the year 2021/2022***

Whilst the level of disruption due to COVID was much reduced this year, its impact was still felt widely due to isolation regulations and absence.

Effective virus control measures were put in place in Trust Schools and monitored by SLT, Trust Board and Local Authority advisers to ensure best practice. Infection rates were minimal and those cases reported were found to have originated outside of school. Risk Assessments have been regularly reviewed and shared with staff, SSBs and Trust Board members. This work continues.

Schools returned to face to face operation and where isolations occurred, online learning was provided to mitigate low progress. Financial operations returned to onsite provision but we now take advantage of the online working developed to secure more time to devote to the role and duties. For example, online team meetings occur regularly, ensuring communication and support levels are appropriate and timely.

Governance operations have returned to onsite methods however, remote provision has been enhanced so that attendance at meetings is easier where Governors or Trustees may not be able to be present due to work commitments or COVID related isolation. This means that meetings are not cancelled as we can ensure they are quorate through our use of remote support. Communications have been enhanced with the provision of a number of online platforms. All relevant monitoring, evaluation and scrutiny with regard to governance continued as per the governance planner.

The Trust believes it has addressed the demands of the pandemic response in a thorough, well planned and well communicated way. It continues to monitor the situation and regularly meets with SLT, School Standards Boards and staff to address any issues arising.

##### ***Investment policy***

Investments will be made only in accordance with written procedures approved by the Board of Trustees. At present, all funds held by the Trust as at the 31 August 2022 were in an interest-bearing account with Lloyds Banking Group.

##### **Streamlined Energy & Carbon Reporting**

We are using this report to support our commitment to sustainability for which we have a published statement on our website, which includes commitments to measure and take action to reduce the carbon footprint of our activities and ensure our buildings and services are able to adapt to environmental change.

##### **Quantification and Reporting Methodology**

The adopted methodology used is based on the Greenhouse Gas Protocol Corporate Reporting Standard reporting on equivalent CO<sub>2</sub> emissions. Information has been gathered from utility supplier invoices and transport mileage records, and collated into kWh for all corresponding UK based operations, directly owned or operated by Castleman Academy Trust. These have been converted to equivalent tonnes of carbon dioxide (tCO<sub>2</sub>e) using the published UK Government GHG Conversion Factors for Company Reporting for 2022.



## CASTLEMAN ACADEMY TRUST

### TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2022 (CONTINUED)

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#### Summary of our emissions

Reporting (Baseline): Year ended 31 August 2022

Scope 1	942,665 kWh	171.9 tCO <sub>2</sub> e
Scope 2	502.755 kWh	97.2 tCO <sub>2</sub> e
Scope 3	0 kWh	0 tCO <sub>2</sub> e
TOTAL	1,445,420 kWh	269.1 tCO <sub>2</sub> e

Intensity Ratio 0.12 TCO<sub>2</sub>e per pupil

#### Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO<sub>2</sub> equivalent per pupil, the recommended ratio for the sector.

#### Measures taken to improve energy efficiency

We continue to pursue opportunities to reduce our energy usage. During the year we have:

- Increased use of video conferencing for staff meetings to reduce the need for travel between sites
- Upgraded roof insulation at one of our Schools
- Completed the upgrade of heating and hot water boilers at one of our Schools
- Replaced boiler controls at one of our Schools

#### Engagement with employees

Castleman Academy Trust is medium sized employer, which prides itself on its relationships at all levels. In the community we are known for our strong commitment to treating all stakeholders, including employees, professionally, fairly and equitably.

#### Well-Being

Throughout 2021/22, our schools actively sought the views of staff through well-being surveys. The information provided helped us understand the priorities for development in terms of work-load, training, policy, physical environment and employee benefits.

Our schools actively seek ways to reduce workload for all employees, engaging the support of IT where appropriate. Where extra capacity is needed to ensure the smooth running of the organisation, this is considered and planned for.

A "Well-Being Steering Group" has been created to agree a Trust-wide approach to well-being strategies. The group is made up of representatives in each school, tasked with seeking the views of employees directly, with a view to addressing these creatively and proactively. At present they are developing a "Perks Package" that is not solely financially based. Feedback from staff about what makes our schools positive to work in is being collated and plans will be made in due course.

#### Professional Development

Professional development is a high priority for all Trust Leaders. Ensuring our most important resource - our employees - are trained to the highest possible standard is reflected in the "People Plans" held in our schools. These relate not only to school priorities but also to personal development. We have reviewed how appraisal conversations are carried out and moved to a "Professional Growth Model" which staff report is more supportive and challenging, leading to better outcomes for children.

## CASTLEMAN ACADEMY TRUST

### TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2022 (CONTINUED)

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All schools now support Early Career Teachers through the Early Career Framework. Our Professional Learning arm, the Castleman Learning Network, has partnered with Worcester University to deliver the framework for teacher training. We actively engage with the local Teaching School Hub to develop practice across our schools.

#### Bespoke Support

On a practical basis, we offer:

- a) direct engagement with Trust Board to discuss well-being and workload issues through the Well-Being steering group, Governor Forums and Chairs of SSB meetings.
- b) The Trust buys into the services of the "Employee Assistance Programme" which provides bespoke support to employees on a number of issues ranging from Mental Health to Finance.
- c) HR support to all employees
- d) Health and Safety reviews, with direct input from employees, to ensure work spaces are safe and fit for purpose
- e) Salary sacrifice schemes for purchasing bikes to support health and well-being

#### ***Reserves policy***

The Trust requires that reserves are created to fund future capital expenditure, future development plans and strategic long term aims and developments.

The Trust has developed a Reserves Policy to ensure the stability of the Trust's operations so that it has the ability to adjust quickly to changing financial circumstances, such as large unbudgeted expenditure, cyclical maintenance and working capital fluctuations.

The Reserves Policy permits the Trust's Schools through their SSB, to authorise the usage of £50,000 of their reserves in each financial year in order to pursue projects for the School's benefit.

Any usage of reserves above this amount requires authorisation in advance by the Trust Finance & Audit Committee.

Details of the Trust's reserves balances as at 31st August 2022 are shown in note 16 to the Financial Statements. The Trust intends to use its reserves for capital expenditure projects which do not attract additional grant funding, additional revenue expenditure in areas identified as priorities in its development plan and to undertake maintenance on its estates. The Trust anticipates that its reserves will reduce over time toward the level identified within the reserves policy.

#### Reserve levels

The Trustees have determined that the appropriate level of reserves at each of the Trust's Schools, and across the Trust as a whole, should be equivalent to one month's average operational costs which will include salaries and pensions, occupancy costs and external services costs. The Trust will review the reserve levels annually and this review will encompass the nature of the income and expenditure streams, the need to match income with commitments and the nature of reserves. The reason for this is to provide sufficient working capital to cover delays between spending and receipts of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance.

## CASTLEMAN ACADEMY TRUST

### TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2022 (CONTINUED)

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#### Restricted Funds

Restricted funds are generated from the main income for the Trust schools, which is the General Annual Grant (GAG) and other grant contributions or donations that are received for a specific project or purpose. These funds are restricted for the use according to the funding agreements or donor's instructions.

Academies can carry forward GAG restricted funds to be used for future years, primarily to fund capital expenditure together with a small percentage for operational purposes.

Restricted funds are reported and reviewed regularly at management meetings and expenditure from Restricted funds is approved by the Trustees where required under the terms of the Reserves Policy.

#### Unrestricted Funds

Unrestricted funds are generated from the Trust's activities for raising funds, investment income and other donations which are expendable at the discretion of the Trustees to achieve the objectives of the Trust and its Schools.

These funds are generally built up over time from fund generating activities and investments and through one-off donations.

Unrestricted Funds are reported and reviewed regularly at management meetings and expenditure from Unrestricted Funds is approved by the Trustees where required under the terms of this Reserves Policy.

#### Designated Funds

These are unrestricted funds that have been allocated by the Trustees for a particular purpose.

Designated funds are reviewed regularly and approved by the Trustees and the Finance Committee.

#### ***Principal risks and uncertainties***

The Board acknowledges that our future success is inextricably linked to the performance of each of our schools and the continuous improvement of our reputation and achievements. Consequently, the Board acknowledges this risk.

Regular external review of schools in the Trust are carried out to validate the judgements of Senior Leaders. Whilst we recognise the great amount of high-quality improvement work carried out by Trustees, Governors, Senior Leaders and staff, the risk still remains.

We have worked hard this year to restructure staffing and ensure succession planning and coverage of key posts is in place to ensure business continuity.

## **CASTLEMAN ACADEMY TRUST**

### **TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2022 (CONTINUED)**

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#### ***Financial and risk management objectives and policies***

The Board of Trustees approved an overall Academy budget for the period 1st September 2021 to 31st August 2022. During this period, our total General Annual Grant was £9,556,600.

For this period:

- The Academy predicted a total income of £11,184,000 and we received £11,662,000.
- The Academy predicted staffing costs at £9,058,000 and we actually spent £9,279,000.
- The Academy predicted total revenue expenditure at £2,248,000 and we actually spent £1,991,000.

In summary, the Board of Trustees are pleased with the financial performance during a period where the Trust has continued to establish itself and realise changes that have resulted in improved academic standards and operating efficiency. The financial structure of the Trust has been reviewed this year, specifically financial delegation and staffing structures.

#### ***Principle funding***

The Trusts funding is from the DfE.

#### ***Fundraising***

The Trust's schools rely heavily on the Parent Teacher Associations related to each school, to fundraise. These PTAs are registered with the Charity Commission and use the monies raised to support the school with equipment and resources to enhance pupil experiences.

Each school has Senior Leaders represented on the Committees for each PTA. Events are diarised a year in advance and kept to a reasonable amount to ensure the protection of the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate.

Due to the COVID pandemic, very little fundraising activity has taken place this year.

#### ***Plans for future periods***

As per our Business Plan, we remain focussed on:

1. Continuous School Improvement and Effectiveness. We aim to ensure that schools within the Trust are judged, at least, as "Good" by OfSTED and strive to work towards an "Outstanding" rating where ever possible.

Securing growth of the Trust by developing formal partnerships with schools in our local area, both mainstream and those schools supporting Special Educational Needs. After a positive DfE review, the Trust is now exploring opportunities for further growth. In order to welcome local schools into the Trust, we need to consider changing our Articles to enable schools of a religious character to join us. We are working with Salisbury Diocese to develop these plans.

2. Our commitment to SEND support in our schools and community is reflected in our plans to open more Resourced Bases and increase the capacity of those already on site.

3. Continuing to manage finances, on a day to day basis and strategically to ensure future financial security.

**CASTLEMAN ACADEMY TRUST**

**TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2022 (CONTINUED)**


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**Auditor**

Insofar as the management of Castleman Academy Trust, being the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association, are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- that the management of Castleman Academy Trust, being the responsibility of the the trustees who are elected and co-opted under the terms of the Articles of Association, have taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

The trustees' report, incorporating a Strategic Report, was approved by order of the members of the Governing Body on 21/12/22 and signed on its behalf by:

  
.....  
Dr M E Grigsby  
Trustee

**CASTLEMAN ACADEMY TRUST**  
**GOVERNANCE STATEMENT**

---

**Scope of responsibility**

As trustees, we acknowledge we have overall responsibility for ensuring that Castleman Academy Trust has an effective and appropriate system of control, financial and otherwise. However such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Castleman Academy Trust and the Secretary of State for Education. The Chief Executive Officer is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

**Governance**

The information on governance included here supplements that described in the Trustees' report and in the Trustees' responsibilities statement. The Board of Trustees has formally met 6 times during the year.

The Articles of Association of Castleman Academy Trust ensure that Trustees are appointed according to relative skills required to support the successful running of the Trust rather than by school representation. This also moves the governance segregation between Members, Trustees and Governors towards the recommended structure set out by the DfE where instances of cross-over should be minimised.

Due to the COVID pandemic, most meetings have been hosted via online platforms. This will continue until Government guidance changes with regard to social distancing.

Attendance during the year at meetings of the board of trustees was as follows:-

<b>Trustee</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
A McMullen	3	4
R Moore	5	6
A D Hanby	5	6
J R Heppenstall	5	6
N D Stebbing	4	6
Dr M E Grigsby	6	6
C J Shaw	5	6
A Darley	4	6
M R Sheldon	6	6

**CASTLEMAN ACADEMY TRUST**  
**GOVERNANCE STATEMENT (CONTINUED)**

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The Finance and Audit Committee is a sub-committee of the main board of trustees. Its purpose is outlined in the Academy Trust Handbook.

Attendance at the meetings in the year was as follows:-

<b>Trustee</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
R Moore	6	7
N D Stebbing	7	7
Dr M E Grigsby	7	7
C J Shaw	6	7
A Darley	5	7

**Review of value for money**

As accounting officer the Chief Executive Officer has responsibility for ensuring that the Trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The accounting officer considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the Trust has delivered improved value for money during the year by:

- Following the rules and regulations set down in the Academies Trust Handbook
- Training staff to look for best value when ordering or securing support for their departments
- Seeking advice from experts regarding how to improve with regard to value for money (audit and Local Authority representatives)
- Meet with colleagues to research good practice
- Attend briefings/meetings to keep up to date with latest developments
- Restructuring teaching and support staff
- Securing high quality financial leadership

**Conflicts of Interest**

The Trust has the following processes to manage conflicts of interest:

- A register of interests is maintained, in line with the requirements laid down in the Academy Trust Handbook. This covers all governors, trustees and members. Summaries of interests are published annually on school and trust websites.
- A separate register of interests is maintained for all employed members of staff and held within schools.
- Register of Interests forms are renewed annually in September.
- Declaration of Interests is a standing agenda item at the start of all governance meetings.
- Governors/trustees with a conflict of interest in a specific agenda item will be asked to leave the room for this item. This includes staff governors leaving for any personnel or confidential items.
- The Trust is mindful of the need for separation of powers, and this is maintained at all levels of governance and daily operations, particularly with regard to financial responsibilities.
- Minutes show direct consideration of possible conflict of interests (e.g. cleaning tender).

**CASTLEMAN ACADEMY TRUST**  
**GOVERNANCE STATEMENT (CONTINUED)**

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**The purpose of the system of internal control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The system of internal control, including termly Responsible Officer visits, has been in place in Castleman Academy Trust for the year 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

Unfortunately, due to the COVID pandemic, a planned RO visit was not able to take place. We also commissioned a School Resource Management Advisor from the DfE to visit and provide feedback. This visit was also postponed due to the pandemic. This was rescheduled for later in the year, and took place in July 2021.

**Capacity to handle risk**

The Board of Trustees has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Trust's significant risks, that has been in place for the year 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is reviewed regularly by the Board of Trustees at every meeting.



**CASTLEMAN ACADEMY TRUST**  
**GOVERNANCE STATEMENT (CONTINUED)**

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**The risk and control framework**

The Trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

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

The Trust believes that risk should be monitored by an independent body, namely the "Responsible Officer".

In line with the DfE's expectations of a Responsible Officer, their role will include giving advice on financial matters and performing a range of checks on the academy's financial systems, in areas defined by the Trust Board. The particular checks carried out are outlined in the Responsible Officer's report, presented to the Trust Board, once or twice a year, at trustees' discretion.

**Review of effectiveness**

As Accounting Officer, R Moore, CEO has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance and General Purposes Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The Trust commissioned the Confederation of School Trusts to carry out an External Review of Governance in the spring of 2022. This showed that governance across the trust at all levels was good, but with suggestions for further improvements. As a result of this report, an action plan has been produced which the trust board are working through. One immediate improvement, which was already planned but also recommended by the report, was the introduction of a Quality of Education committee to formalise the approach the board takes to governing the quality of education across all the schools.

**CASTLEMAN ACADEMY TRUST**  
**GOVERNANCE STATEMENT (CONTINUED)**

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Approved by order of the members of the Governing Body on 21/12/22 and signed on its behalf by:

*M E Grigsby*

.....  
Dr M E Grigsby  
Trustee

*R Moore*

.....  
R Moore  
Trustee

**CASTLEMAN ACADEMY TRUST**

**STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE**

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As Accounting Officer of Castleman Academy Trust I have considered my responsibility to notify the academy trust Governing Body and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2021.

I confirm that I and the academy trust Governing Body are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academy Trust Handbook 2021.

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement, these will be notified to the Governing Body and ESFA.

*RB Moore*

.....  
R Moore, CEO  
Accounting officer

Date: 7/12/22

**CASTLEMAN ACADEMY TRUST**  
**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

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

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

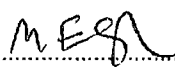
- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the Board on 31/12/22 and signed on its behalf by:

  
.....  
Dr M E Grigsby  
Trustee

## **CASTLEMAN ACADEMY TRUST**

### **INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF CASTLEMAN ACADEMY TRUST**

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#### **Opinion**

We have audited the financial statements of Castleman Academy Trust (the 'Academy') for the year ended 31 August 2022, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy trust's affairs at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and Academies Accounts Direction 2021 to 2022.

#### **Basis for opinion**

We have been appointed as auditor under the Companies Act 2006 and report in accordance with regulations made under that act. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Academy in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Academy's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

#### **Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

## **CASTLEMAN ACADEMY TRUST**

### **INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF CASTLEMAN ACADEMY TRUST (CONTINUED)**

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

We have nothing to report in this regard.

#### **Opinion on other 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 Strategic Report and Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Trustees' report have been prepared in accordance with applicable legal requirements.

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

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and Trustees' report.

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

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

#### **Responsibilities of Trustees**

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 26], the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

#### **Auditor Responsibilities for the audit of the financial statements**

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

**CASTLEMAN ACADEMY TRUST**

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
CASTLEMAN ACADEMY TRUST (CONTINUED)**

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

**The extent to which the audit was considered capable of detecting irregularities including fraud**

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Academy through discussions with trustees and other management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Academy, including the Companies Act 2006, Academies Accounts Direction 2021 to 2022, Charities SORP 2019, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the Academy's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

**CASTLEMAN ACADEMY TRUST**  
**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF**  
**CASTLEMAN ACADEMY TRUST (CONTINUED)**

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There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Use of our report**

This report is made solely to the Academy's Trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Academy's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy and its Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



.....  
Joseph Doggrell BSc (Hons) ACA (Senior Statutory Auditor)  
For and on behalf of Albert Goodman, Statutory Auditor

Goodwood House  
Blackbrook Park Avenue  
Taunton  
TA1 2PX

Date: 8/12/22



## **CASTLEMAN ACADEMY TRUST**

### **INDEPENDENT REPORTING ACCOUNTANT'S REPORT ON REGULARITY**

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In accordance with the terms of our engagement letter and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Castleman Academy Trust during the year to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

#### **Respective responsibilities of the Governing Body's accounting officer and the reporting accountant**

The Accounting Officer is responsible, under the requirements of the Governing Body' funding agreement with the Secretary of State for Education dated and the Academy Trust Handbook extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

#### **Approach**

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

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

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

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

**CASTLEMAN ACADEMY TRUST**

**INDEPENDENT REPORTING ACCOUNTANT'S REPORT ON REGULARITY (CONTINUED)**

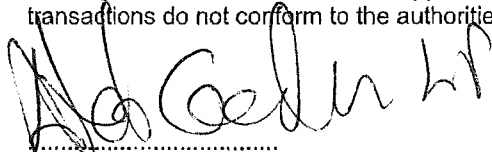
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The work undertaken to draw to our conclusion includes:

- Reviewing compliance against the requirements of the Academy Trust Handbook (September 2021);
- A review of the governance policies and procedures with specific consideration of financial planning, monitoring and control;
- Gaining assurance that the lines of delegation and the limits set both internally by the academy and by ESFA have been adhered to;
- A review of all meeting minutes of the board trustees;
- An examination of financial transactions to identify any unusual items which may be improper; and
- A review of the declaration of interests completed by the trustees.

**Conclusion**

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



.....  
Joseph Doggrell BSc (Hons) ACA  
For and on behalf of Albert Goodman, Chartered Accountants

Goodwood House  
Blackbrook Park Avenue  
Taunton  
TA1 2PX

Date: 8/2/22 .....

**CASTLEMAN ACADEMY TRUST**

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2022**

**(INCLUDING INCOME AND EXPENDITURE ACCOUNT)**

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2021/22 Total £
<b>Income and endowments from:</b>					
Voluntary income					
Donations and capital grants	2	65,507	6,000	533,247	604,754
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	217,569	11,094,704	-	11,312,273
Teaching schools		125,998	-	-	125,998
Other trading activities	4	152,174	-	-	152,174
Investments	5	294	-	-	294
<b>Total</b>		<b>561,542</b>	<b>11,100,704</b>	<b>533,247</b>	<b>12,195,493</b>
<b>Expenditure on:</b>					
<i>Charitable activities:</i>					
Academy trust educational operations	7	437,492	11,799,651	469,833	12,706,976
Teaching schools		147,940	-	-	147,940
<b>Net (expenditure)/income</b>		<b>(23,890)</b>	<b>(698,947)</b>	<b>63,414</b>	<b>(659,423)</b>
Transfers between funds		-	(518,071)	518,071	-
<b>Other recognised gains and losses</b>					
Actuarial gain/(losses) on defined benefit pension scheme	26	-	5,943,000	-	5,943,000
<b>Net movement in (deficit)/funds</b>		<b>(23,890)</b>	<b>4,725,982</b>	<b>581,485</b>	<b>5,283,577</b>
<b>Reconciliation of funds</b>					
Total funds/(deficit) brought forward at 1 September 2021		1,520,951	(6,639,190)	27,921,386	22,803,147
<b>Total funds/(deficit) carried forward at 31 August 2022</b>		<b>1,497,061</b>	<b>(1,913,208)</b>	<b>28,502,871</b>	<b>28,086,724</b>

**CASTLEMAN ACADEMY TRUST**

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2021**

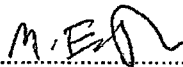
**(INCLUDING INCOME AND EXPENDITURE ACCOUNT)**

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2020/21 Total £
<b>Income and endowments from:</b>					
Voluntary income					
Donations and capital grants	2	25,039	-	70,769	95,808
Transfer from local authority on conversion		854,409	(2,910,000)	11,197,500	9,141,909
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	43,926	8,471,030	-	8,514,956
Teaching schools		124,723	40,000	-	164,723
Other trading activities	4	77,887	-	-	77,887
Investments	5	132	-	-	132
<b>Total</b>		<b>1,126,116</b>	<b>5,601,030</b>	<b>11,268,269</b>	<b>17,995,415</b>
<b>Expenditure on:</b>					
<i>Charitable activities:</i>					
Academy trust educational operations	7	158,349	8,502,828	336,967	8,998,144
Teaching schools		98,162	40,000	-	138,162
Net Income/(expenditure)		869,605	(2,941,798)	10,931,302	8,859,109
Transfers between funds		-	(233,254)	233,254	-
<b>Other recognised gains and losses</b>					
Actuarial losses on defined benefit pension schemes	26	-	(484,000)	-	(484,000)
Net movement in funds/(deficit)		869,605	(3,659,052)	11,164,556	8,375,109
<b>Reconciliation of funds</b>					
Total funds/(deficit) brought forward at 1 September 2020		651,346	(2,980,138)	16,756,830	14,428,038
Total funds/(deficit) carried forward at 31 August 2021		1,520,951	(6,639,190)	27,921,386	22,803,147

**CASTLEMAN ACADEMY TRUST**  
**(REGISTRATION NUMBER: 09101036)**  
**BALANCE SHEET AS AT 31 AUGUST 2022**

			(As restated)
	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	12	28,616,883	28,002,355
<b>Current assets</b>			
Debtors	13	556,280	334,945
Cash at bank and in hand		<u>2,558,878</u>	<u>2,303,682</u>
		3,115,158	2,638,627
Creditors: Amounts falling due within one year	14	<u>(1,245,417)</u>	<u>(659,024)</u>
Net current assets		<u>1,869,741</u>	<u>1,979,603</u>
Total assets less current liabilities		30,486,624	29,981,958
Creditors: Amounts falling due after more than one year	15	<u>(129,900)</u>	<u>(80,811)</u>
Net assets excluding pension liability		30,356,724	29,901,147
Pension scheme liability	26	<u>(2,270,000)</u>	<u>(7,098,000)</u>
Net assets including pension liability		<u>28,086,724</u>	<u>22,803,147</u>
<b>Funds of the Academy:</b>			
<b>Restricted funds</b>			
Restricted general fund		(1,924,060)	(6,639,190)
Restricted fixed asset fund		<u>28,513,724</u>	<u>27,921,386</u>
		26,589,664	21,282,196
<b>Unrestricted funds</b>			
Unrestricted general fund		<u>1,497,060</u>	<u>1,520,951</u>
Total funds		<u>28,086,724</u>	<u>22,803,147</u>

The financial statements on pages 33 to 62 were approved by the Trustees, and authorised for issue on 7/12/22 and signed on their behalf by:

  
 .....  
 Dr M E Grigsby  
 Trustee

**CASTLEMAN ACADEMY TRUST****STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2022**

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		2022	(As restated) 2021
	Note	£	£
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	20	756,927	1,822,416
Cash flows from investing activities	22	(550,820)	(357,384)
Cash flows from financing activities	21	<u>49,089</u>	<u>58,543</u>
Change in cash and cash equivalents in the year		255,196	1,523,575
Cash and cash equivalents at 1 September		<u>2,303,682</u>	<u>780,107</u>
Cash and cash equivalents at 31 August	23	<u><u>2,558,878</u></u>	<u><u>2,303,682</u></u>

## CASTLEMAN ACADEMY TRUST

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

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#### 1 Accounting policies

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

##### **Basis of preparation**

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

##### **Going concern**

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

##### **Income**

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

##### **Grants**

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

Capital grants are recognised in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the balance sheet in the restricted fixed asset fund. Capital grants are spent on capital projects in line with the terms and conditions of the grant. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

**CASTLEMAN ACADEMY TRUST**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022**

**(CONTINUED)**

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**1 Accounting policies (continued)**

***Sponsorship income***

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

***Donations***

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

***Other income***

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

***Donated goods, facilities and services***

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

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

***Expenditure***

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

All resources expended are inclusive of irrecoverable VAT.

***Expenditure on raising funds***

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



**CASTLEMAN ACADEMY TRUST**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022**

**(CONTINUED)**

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**1 Accounting policies (continued)**

***Charitable activities***

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

**Tangible fixed assets**

Assets costing £1000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset on a [straight-line/reducing balance] basis over its expected useful life, per the table below. Where an asset comprises of two or more components which have substantially different useful lives, each component is depreciated separately over its useful economic life.

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

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

<b>Asset class</b>	<b>Depreciation method and rate</b>
Long leasehold land and buildings	over 125 years
Furniture and equipment	10% straight line
Motor vehicles	25% straight line
Computer equipment	33.33% straight line

**Liabilities**

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

**CASTLEMAN ACADEMY TRUST**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022**

**(CONTINUED)**

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**1 Accounting policies (continued)**

***Provisions***

Provisions are recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

***Leased assets***

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

***Taxation***

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

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

**CASTLEMAN ACADEMY TRUST**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022**

**(CONTINUED)**

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**1 Accounting policies (continued)**

**Pension benefits**

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes. The TPS is an unfunded scheme and contributions are calculated to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary based on of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to net income/(expenditure) are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

**Fund accounting**

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

Restricted fixed asset funds are resources, which are to be applied to specific capital purposes imposed by funders, where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Department for Education Group.

**Critical accounting estimates and areas of judgement**

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

**CASTLEMAN ACADEMY TRUST**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022**

**(CONTINUED)**

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**1 Accounting policies (continued)**

***Critical accounting estimates and assumptions***

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

**Prior year adjustment**

The comparative year has been restated to reduce the property valuation on conversion at Ferndown First School, Ferndown Middle School and Parley First School by £9,683,000 in line with the ESFA valuations received.

**2 Donations and capital grants**

	<b>Unrestricted Funds £</b>	<b>Restricted General Funds £</b>	<b>Restricted Fixed Asset Funds £</b>	<b>2021/22 Total £</b>	<b>2020/21 Total £</b>
<b>Other voluntary income</b>					
Capital grants					
DfE/ESFA	-	-	533,247	533,247	54,135
Other donations	65,507	6,000	-	71,507	41,673
	<u>65,507</u>	<u>6,000</u>	<u>533,247</u>	<u>604,754</u>	<u>95,808</u>

CASTLEMAN ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

(CONTINUED)

3 Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted funds £	2021/22 Total £	2020/21 Total £
<b>DfE/ESFA revenue grants</b>				
General Annual Grant (GAG)	-	9,535,600	9,535,600	6,673,038
Other DfE/ESFA grants	-	344,256	344,256	516,974
Local Authority Grants	-	522,139	522,139	549,114
Pupil Premium	-	500,384	500,384	349,311
UIFSM	-	192,325	192,325	149,745
	<u>-</u>	<u>11,094,704</u>	<u>11,094,704</u>	<u>8,238,182</u>
<b>Other government grants</b>				
Catch up premium	-	-	-	232,848
<b>Non-government grants and other income</b>				
Kids Club	95,602	-	95,602	32,350
Trip Income	121,043	-	121,043	10,698
Other Income	924	-	924	878
	<u>217,569</u>	<u>-</u>	<u>217,569</u>	<u>43,926</u>
Total grants	<u>217,569</u>	<u>11,094,704</u>	<u>11,312,273</u>	<u>8,514,956</u>

**CASTLEMAN ACADEMY TRUST**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022**

**(CONTINUED)**

**4 Other trading activities**

	Unrestricted funds £	2021/22 Total £	2020/21 Total £
Facilities and services income	18,346	18,346	25,667
Catering income	104,939	104,939	6,597
Other income	1,877	1,877	32,807
Lettings	27,012	27,012	12,816
	<u>152,174</u>	<u>152,174</u>	<u>77,887</u>

**5 Investment income**

	Unrestricted Funds £	2021/22 Total £	2020/21 Total £
Short term deposits	294	294	132

**6 Expenditure**

	Non Pay Expenditure			2021/22 Total £	2020/21 Total £
	Staff costs £	Premises £	Other costs £		
<b>Academy's educational operations</b>					
Direct costs	8,710,416	109,660	804,955	9,625,031	6,679,581
Allocated support costs	1,610,429	856,657	614,859	3,081,945	2,318,563
<b>Teaching school hub</b>					
Teaching school hub - Direct costs	73,136	-	74,804	147,940	138,162
	<u>10,393,981</u>	<u>966,317</u>	<u>1,494,618</u>	<u>12,854,916</u>	<u>9,136,306</u>

**CASTLEMAN ACADEMY TRUST**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022**

**(CONTINUED)**

**6 Expenditure (continued)**

**Net income/(expenditure) for the year includes:**

	<b>2021/22</b>	<b>2020/21</b>
	<b>£</b>	<b>£</b>
Depreciation	469,833	336,967
Fees payable to auditor - audit	8,250	8,250
- other audit services	2,900	2,750
	<u>480,983</u>	<u>347,967</u>

**7 Charitable activities**

	<b>2021/22</b>	<b>2020/21</b>
	<b>£</b>	<b>£</b>
Direct costs - educational operations	9,625,031	6,679,581
Support costs - educational operations	3,081,945	2,318,563
	<u>12,706,976</u>	<u>8,998,144</u>

	<b>Educational operations</b>	<b>2021/22 Total</b>	<b>2020/21 Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Analysis of direct costs</b>			
Teaching and educational support staff costs	8,710,416	8,710,416	6,261,503
Energy Costs	109,660	109,660	87,363
Educational supplies	325,113	325,113	111,175
Staff development	58,904	58,904	31,202
Educational consultancy	33,717	33,717	40,846
Other direct costs	25,910	25,910	6,007
Technology costs	215,450	215,450	126,737
Trip costs	145,861	145,861	14,748
	<u>9,625,031</u>	<u>9,625,031</u>	<u>6,679,581</u>

**CASTLEMAN ACADEMY TRUST**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022**

**(CONTINUED)**

**7 Charitable activities (continued)**

	Educational operations £	2021/22 Total £	2020/21 Total £
<b>Analysis of support costs</b>			
Support staff costs	1,610,429	1,610,429	1,172,737
Depreciation	469,833	469,833	336,967
Recruitment and support	14,184	14,184	2,555
Rent, rates and utilities	58,184	58,184	68,834
Insurance	42,021	42,021	30,622
Catering	284,854	284,854	162,074
Maintenance of premises and equipment	180,876	180,876	107,309
Cleaning	147,764	147,764	106,251
Professional fees	123,515	123,515	155,852
Other support costs	149,576	149,576	174,514
Governance costs	709	709	848
Total support costs	<u>3,081,945</u>	<u>3,081,945</u>	<u>2,318,563</u>

**8 Staff**

**Staff costs**

	2021/22 £	2020/21 £
<b>Staff costs during the year were:</b>		
Wages and salaries	6,988,785	5,105,331
Social security costs	616,310	453,081
Operating costs of defined benefit pension schemes	<u>2,697,091</u>	<u>1,780,188</u>
	10,302,186	7,338,600
Supply staff costs	91,795	57,946
Staff restructuring costs	-	<u>37,694</u>
	<u>10,393,981</u>	<u>7,434,240</u>
		<b>2020/21</b>
		£
<b>Staff restructuring costs comprise:</b>		
Severance payments		<u>37,694</u>



**CASTLEMAN ACADEMY TRUST**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022**

**(CONTINUED)**

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**8 Staff (continued)**

**Staff numbers**

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

	<b>2022</b>	<b>2021</b>
	<b>No</b>	<b>No</b>
<b>Charitable Activities</b>		
Teachers	105	111
Administration and support	215	170
Management	<u>7</u>	<u>7</u>
	<u>327</u>	<u>288</u>

**Higher paid staff**

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

	<b>2021/22</b>	<b>2020/21</b>
	<b>No</b>	<b>No</b>
£60,001 - £70,000	1	-
£70,001 - £80,000	<u>4</u>	<u>1</u>

**Key management personnel**

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £737,283 (2021: £616,074).

**CASTLEMAN ACADEMY TRUST**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022**

**(CONTINUED)**

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**9 Central services**

The academy trust charges for these services on the following basis:

- The costs for a number of finance and administrative staff, as well as members of the leadership team, are allocated to the academy trust
- Various costs associated with the running of the academy trust, including payroll, marketing, non educational IT and premises costs.

The academy charges for these services on the following basis:

Cost allocation is based on actual costs incurred, split between the schools on a 5:1 basis.

The actual amounts charged during the year were as follows:

	2022/21	2021/20
	£	£
Broadstone First School	37,620	33,750
Broadstone Middle School	76,522	66,177
Ferndown First School	44,141	25,543
Ferndown Middle School	82,472	49,217
Parley First School	39,125	23,370
	<u>279,880</u>	<u>198,057</u>

**10 Related party transactions - trustees' remuneration and expenses**

One or more trustees has been paid remuneration or has received other benefits from employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their role as trustees. The value of trustees' remuneration and other benefits was as follows:

R Moore (CEO):

Remuneration: £60,000 - £65,000 (2021 - £55,000 - £60,000)

Employer's pension contributions: £10,000 - £15,000 (2021 - £10,000 - £15,000)

Other related party transactions involving the trustees are set out in note 27.

**11 Trustees' and officers' insurance**

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

**CASTLEMAN ACADEMY TRUST**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022**

**(CONTINUED)**

**12 Tangible fixed assets**

	Leasehold land and buildings £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
<b>Cost</b>					
At 1 September					
2021 as restated	27,939,698	2,073,036	121,874	2,000	30,136,608
Additions	<u>296,487</u>	<u>666,598</u>	<u>121,276</u>	-	<u>1,084,361</u>
At 31 August 2022	<u>28,236,185</u>	<u>2,739,634</u>	<u>243,150</u>	<u>2,000</u>	<u>31,220,969</u>
<b>Depreciation</b>					
At 1 September					
2021 as restated	905,760	1,215,502	10,991	2,000	2,134,253
Charge for the year	<u>223,456</u>	<u>207,304</u>	<u>39,073</u>	-	<u>469,833</u>
At 31 August 2022	<u>1,129,216</u>	<u>1,422,806</u>	<u>50,064</u>	<u>2,000</u>	<u>2,604,086</u>
<b>Net book value</b>					
At 31 August 2022	<u>27,106,969</u>	<u>1,316,828</u>	<u>193,086</u>	-	<u>28,616,883</u>
At 31 August 2021 as restated	<u>27,033,938</u>	<u>857,534</u>	<u>110,883</u>	-	<u>28,002,355</u>

**13 Debtors**

	2022 £	2021 £
Trade debtors	20,053	35,951
VAT recoverable	255,986	52,455
Other debtors	2,325	-
Prepayments and accrued income	<u>277,916</u>	<u>246,539</u>
	<u>556,280</u>	<u>334,945</u>

**CASTLEMAN ACADEMY TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022**  
**(CONTINUED)**

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**14 Creditors: amounts falling due within one year**

	<b>2022</b>	<b>2021</b>
	£	£
Trade creditors	304,394	163,442
Other taxation and social security	146,541	129,952
Salix loans	10,851	10,852
Other creditors	178,072	161,307
Accruals and deferred income	605,559	193,471
	<u>1,245,417</u>	<u>659,024</u>

	<b>2022</b>	<b>2021</b>
	£	£
<b>Deferred income</b>		
Deferred income at 1 September 2021	146,445	153,961
Resources deferred in the period	217,806	146,445
Amounts released from previous periods	<u>(146,445)</u>	<u>(153,961)</u>
Deferred income at 31 August 2022	<u>217,806</u>	<u>146,445</u>

At the balance sheet date the academy trust was holding funds received in advance for Universal Infant Free School Meals and Pupil Growth Funding.

**15 Creditors: amounts falling due in greater than one year**

	<b>2022</b>	<b>2021</b>
	£	£
Loans	<u>129,900</u>	<u>80,811</u>

**CASTLEMAN ACADEMY TRUST**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022**

**(CONTINUED)**

**16 Funds**

	Balance at 1 September 2021 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2022 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	374,104	9,535,600	(9,034,840)	(528,924)	345,940
Local Authority Grant	-	442,211	(442,211)	-	-
Covid-19 support grant	6,673	330,554	(337,227)	-	-
Restricted donations	-	6,000	(6,000)	-	-
Pupil Premium	6,473	500,384	(506,857)	-	-
PE Grant	71,560	93,630	(165,190)	-	-
UIFSM	-	192,325	(192,325)	-	-
Pension reserve	<u>(7,098,000)</u>	<u>-</u>	<u>(1,115,000)</u>	<u>5,943,000</u>	<u>(2,270,000)</u>
	(6,639,190)	11,100,704	(11,799,650)	5,414,076	(1,924,060)
<b>Restricted fixed asset funds</b>					
Fixed Asset Funds	<u>27,921,386</u>	<u>533,247</u>	<u>(469,833)</u>	<u>528,924</u>	<u>28,513,724</u>
Total restricted funds	<u>21,282,196</u>	<u>11,633,951</u>	<u>(12,269,483)</u>	<u>5,943,000</u>	<u>26,589,664</u>
<b>Unrestricted funds</b>					
General	1,418,103	435,545	(435,545)	-	1,418,103
Teaching School	<u>102,848</u>	<u>125,998</u>	<u>(149,889)</u>	<u>-</u>	<u>78,957</u>
Total unrestricted funds	<u>1,520,951</u>	<u>561,543</u>	<u>(585,434)</u>	<u>-</u>	<u>1,497,060</u>
Total funds	<u>22,803,147</u>	<u>12,195,494</u>	<u>(12,854,917)</u>	<u>5,943,000</u>	<u>28,086,724</u>

**CASTLEMAN ACADEMY TRUST**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022**

**(CONTINUED)**

**16 Funds (continued)**

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

	Balance at 1 September 2020 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2021 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	96,862	6,673,039	(6,162,543)	(233,254)	374,104
Other DfE/ESFA grants	-	426,204	(426,204)	-	-
Covid-19 support grant	-	232,848	(226,175)	-	6,673
Local authority grants	-	547,813	(547,813)	-	-
Restricted donations	-	40,000	(40,000)	-	-
Pupil Premium	-	349,311	(342,838)	-	6,473
PE Grant	-	92,070	(20,510)	-	71,560
UIFSM	-	149,745	(149,745)	-	-
Pension reserve	<u>(3,077,000)</u>	<u>(2,910,000)</u>	<u>(627,000)</u>	<u>(484,000)</u>	<u>(7,098,000)</u>
	(2,980,138)	5,601,030	(8,542,828)	(717,254)	(6,639,190)
<b>Restricted fixed asset funds</b>					
Fixed Asset Funds	<u>16,756,830</u>	<u>11,268,269</u>	<u>(336,967)</u>	<u>233,254</u>	<u>27,921,386</u>
Total restricted funds	<u>13,776,692</u>	<u>16,869,299</u>	<u>(8,879,795)</u>	<u>(484,000)</u>	<u>21,282,196</u>
<b>Unrestricted funds</b>					
General	575,059	1,001,393	(158,349)	-	1,418,103
Teaching School	<u>76,287</u>	<u>124,723</u>	<u>(98,162)</u>	<u>-</u>	<u>102,848</u>
Total unrestricted funds	<u>651,346</u>	<u>1,126,116</u>	<u>(256,511)</u>	<u>-</u>	<u>1,520,951</u>
Total funds	<u>14,428,038</u>	<u>17,995,415</u>	<u>(9,136,306)</u>	<u>(484,000)</u>	<u>22,803,147</u>

**CASTLEMAN ACADEMY TRUST**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022**

**(CONTINUED)**

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**16 Funds (continued)**

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

Unrestricted funds - These funds are for the general use of the academy and may be used towards meeting any of the charitable objects of the academy trust at the discretion of the trustees.

General Annual Grant (GAG) – Funding from the Education and Skills Funding Agency to support the education and running costs of the academy. Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2022.

Pupil Premium - Pupil premium represents funding received from the ESFA for children that qualify for free school meals to enable the Academy to address the current underlying inequalities between those children and their wealthier peers.

UIFSM - This represents funding received from the ESFA for the provision of school dinners to all reception and key stage one pupils.

Local authority grants - This include high needs funding to cater for pupils with learning difficulties and other disabilities

Pension Reserve – This fund represents the pension deficit for the Local Government Pension Scheme and its associated costs for the period.

Restricted fixed asset funds - Fixed assets transferred on conversion to an Academy represent the leasehold premises, equipment and motor vehicle donated to the Trust by the Borough of Poole.

DfE/ESFA Capital grants include Devolved Formula Capital grants (DFC).

Fund transfers - this transfer includes the spending of restricted fixed asset fund income on general school repair costs which were not capitalised, and a transfer from Restricted Funds to cover capital items purchased during the year.

**CASTLEMAN ACADEMY TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022**  
**(CONTINUED)**

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**16 Funds (continued)**

**Analysis of academies by fund balance**

Fund balances at 31 August 2022 were allocated as follows:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Broadstone First School	69,920	80,685
Broadstone Middle School	756,673	795,569
Ferndown First School	274,784	279,179
Ferndown Middle School	522,010	437,614
Parley First School	307,753	333,930
Central services	<u>(88,140)</u>	<u>52,784</u>
Total before fixed assets and pension reserve	1,843,000	1,979,761
Restricted fixed asset funds	28,513,724	27,921,386
Pension reserve	<u>(2,270,000)</u>	<u>(7,098,000)</u>
Total	<u>28,086,724</u>	<u>22,803,147</u>



**CASTLEMAN ACADEMY TRUST**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022**

**(CONTINUED)**

**16 Funds (continued)**

**Total cost analysis by academy**

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs (excluding depreciation) £	Total 2022 £
Broadstone First School	1,004,236	294,932	36,143	214,766	1,550,077
Broadstone Middle School	2,333,573	386,607	92,971	427,440	3,240,591
Ferndown First School	1,380,201	271,154	57,872	219,732	1,928,959
Ferndown Middle School	2,475,705	372,275	71,980	315,400	3,235,360
Parley First School	1,312,660	223,706	127,255	203,497	1,867,118
Teaching School	56,702	16,434	-	74,804	147,940
Central services	125,274	140,521	-	149,243	415,038
Academy Trust	<u>8,688,351</u>	<u>1,705,629</u>	<u>386,221</u>	<u>1,604,882</u>	<u>12,385,083</u>

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs (excluding depreciation) £	Total 2021 £
Broadstone First School	805,285	224,045	32,221	183,636	1,245,187
Broadstone Middle School	1,928,548	330,880	30,635	305,819	2,595,882
Ferndown First School	764,599	124,123	15,845	125,462	1,030,029
Ferndown Middle School	1,421,527	124,123	15,845	125,462	1,686,957
Parley First School	750,583	96,595	-	145,490	992,668
Teaching School	76,713	-	-	61,449	138,162
Central services	77,338	84,039	848	216,708	378,933
Academy Trust	<u>5,824,593</u>	<u>983,805</u>	<u>95,394</u>	<u>1,164,026</u>	<u>8,067,818</u>

**CASTLEMAN ACADEMY TRUST**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022**

**(CONTINUED)**

**17 Analysis of net assets between funds**

Fund balances at 31 August 2022 are represented by:

	<b>Unrestricted Funds £</b>	<b>Restricted General Funds £</b>	<b>Restricted Fixed Asset Funds £</b>	<b>Total Funds £</b>
Tangible fixed assets	-	-	28,616,883	28,616,883
Current assets	1,497,060	1,580,506	37,592	3,115,158
Current liabilities	-	(1,234,566)	(10,851)	(1,245,417)
Creditors over 1 year	-	-	(129,900)	(129,900)
Pension scheme liability	-	(2,270,000)	-	(2,270,000)
<b>Total net assets</b>	<u>1,497,060</u>	<u>(1,924,060)</u>	<u>28,513,724</u>	<u>28,086,724</u>

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

	<b>Unrestricted Funds £</b>	<b>Restricted General Funds £</b>	<b>Restricted Fixed Asset Funds £</b>	<b>Total Funds £</b>
Tangible fixed assets	-	-	28,002,355	28,002,355
Current assets	1,520,951	1,106,982	10,694	2,638,627
Current liabilities	-	(648,172)	(10,852)	(659,024)
Creditors over 1 year	-	-	(80,811)	(80,811)
Pension scheme liability	-	(7,098,000)	-	(7,098,000)
<b>Total net assets</b>	<u>1,520,951</u>	<u>(6,639,190)</u>	<u>27,921,386</u>	<u>22,803,147</u>

**18 Capital commitments**

	<b>2022 £</b>	<b>2021 £</b>
Contracted for, but not provided in the financial statements	<u>-</u>	<u>90,511</u>

**CASTLEMAN ACADEMY TRUST****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022****(CONTINUED)****19 Long-term commitments, including operating leases*****Operating leases***

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

	2022	2021
	£	£
Amounts due within one year	<u>587</u>	<u>890</u>

**20 Reconciliation of net (expenditure)/income to net cash inflow/(outflow) from operating activities**

	2022	(As restated) 2021
	£	£
Net (expenditure)/income	(659,423)	8,859,109
Depreciation	469,833	336,967
Capital grants from DfE and other capital income	(533,247)	(11,300,376)
Interest receivable	(294)	(132)
Defined benefit pension scheme finance cost	1,115,000	3,892,000
Actuarial (gain)/loss	-	484,000
(Increase)/decrease in debtors	(221,335)	387,570
Increase in creditors	586,393	12,080
Cash transferred on conversion to an academy trust	-	5,607
Funds transferred on conversion to academy trust	-	(854,409)
Net cash provided by Operating Activities	<u>756,927</u>	<u>1,822,416</u>

**21 Cash flows from financing activities**

	2022	2021
	£	£
Repayments of borrowing	(10,853)	(3,674)
Cash inflows from new borrowing	<u>59,942</u>	<u>62,217</u>
Net cash provided by financing activities	<u>49,089</u>	<u>58,543</u>

**CASTLEMAN ACADEMY TRUST****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022****(CONTINUED)****22 Cash flows from investing activities**

	2022	2021
	£	£
Dividends, interest and rents from investments	294	132
Purchase of tangible fixed assets	(1,084,361)	(411,651)
Capital funding received from sponsors and others	<u>533,247</u>	<u>54,135</u>
Net cash used in investing activities	<u>(550,820)</u>	<u>(357,384)</u>

**23 Analysis of cash and cash equivalents**

	2022	2021
	£	£
Cash in hand and at bank	<u>2,558,878</u>	<u>2,303,682</u>
Total cash and cash equivalents	<u>2,558,878</u>	<u>2,303,682</u>

**24 Analysis of changes in net debt**

	At 1 September 2021	Cash flows	At 31 August 2022
	£	£	£
Cash	2,303,682	255,196	2,558,878
Loans falling due within one year	(10,852)	-	(10,852)
Loans falling due after more than one year	<u>(80,811)</u>	<u>(49,089)</u>	<u>(129,900)</u>
	<u>(91,663)</u>	<u>(49,089)</u>	<u>(140,752)</u>
Total	<u>2,212,019</u>	<u>206,107</u>	<u>2,418,126</u>

**25 Member liability**

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

**CASTLEMAN ACADEMY TRUST**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022**

**(CONTINUED)**

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**26 Pension and similar obligations**

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

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

Contributions amounting to £122,470 (2021: £161,307) were payable to the schemes at 31 August and are included within creditors.

**Teachers' Pension Scheme**

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

**Valuation of the Teachers' Pension Scheme**

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019.

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to TPS in the period amounted to £897,624 (2021: £798,188). A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

**CASTLEMAN ACADEMY TRUST**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022**

(CONTINUED)

**26 Pension and similar obligations (continued)**

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The academy trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy trust has set out above the information available on the scheme.

**Local government pension scheme**

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £700,000 (2021 - £454,000), of which employer's contributions totalled £553,000 (2021 - £355,000) and employees' contributions totalled £147,000 (2021 - £99,000). The agreed contribution rates for future years are per cent for employers and per cent for employees.

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

**Principal actuarial assumptions**

	<b>2022</b>	<b>2021</b>
	%	%
Rate of increase in salaries	4.00	3.90
Rate of increase for pensions in payment/inflation	3.00	2.90
Discount rate for scheme liabilities	4.30	1.70
Inflation assumptions (CPI)	<u>3.00</u>	<u>2.90</u>

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

	<b>2022</b>	<b>2021</b>
<b>Retiring today</b>		
Males retiring today	22.10	23.10
Females retiring today	24.20	24.60
<b>Retiring in 20 years</b>		
Males retiring in 20 years	23.40	24.40
Females retiring in 20 years	<u>25.60</u>	<u>26.10</u>

**Sensitivity analysis**

	<b>2022</b>	<b>2021</b>
	£	£
Discount rate +0.1%	7,405,000	11,668,000
Discount rate -0.1%	7,757,000	12,237,000
Mortality assumption – 1 year increase	7,806,000	12,431,000
Mortality assumption – 1 year decrease	<u>7,359,000</u>	<u>11,486,000</u>

**CASTLEMAN ACADEMY TRUST****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022****(CONTINUED)****26 Pension and similar obligations (continued)**

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

	2022 £	2021 £
Equities	2,864,000	2,659,000
Gilts	580,000	572,000
Other bonds	244,000	269,000
Property	548,000	425,000
Cash and other liquid assets	81,000	77,000
Multi asset credit	241,000	228,000
Diversified growth fund	355,000	322,000
Infrastruture	396,000	299,000
Total market value of assets	<u>5,309,000</u>	<u>4,851,000</u>

The actual return on scheme assets was (£216,000) (2021 - £676,000).

**Amounts recognised in the statement of financial activities**

	2022 £	2021 £
Current service cost	(1,553,000)	(3,812,000)
Interest income	86,000	53,000
Interest cost	(198,000)	(131,000)
Admin expenses	(3,000)	(2,000)
Total amount recognized in the SOFA	<u>(1,668,000)</u>	<u>(3,892,000)</u>

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

	2022 £	2021 £
At start of period	11,949,000	4,994,000
Conversion of academy trusts	-	4,739,000
Current service cost	1,553,000	902,000
Interest cost	198,000	131,000
Employee contributions	147,000	99,000
Actuarial (gain)/loss	(6,245,000)	1,107,000
Benefits paid	(23,000)	(23,000)
At 31 August	<u>7,579,000</u>	<u>11,949,000</u>

**CASTLEMAN ACADEMY TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022**  
**(CONTINUED)**

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**26 Pension and similar obligations (continued)**

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

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
At start of period	4,851,000	1,917,000
Conversion of academy trusts	-	1,829,000
Interest income	86,000	53,000
Actuarial gain/(loss)	(302,000)	623,000
Employer contributions	553,000	355,000
Employee contributions	147,000	99,000
Benefits paid	<u>(26,000)</u>	<u>(25,000)</u>
At 31 August	<u>5,309,000</u>	<u>4,851,000</u>

**27 Related party transactions**

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

There were no related party transactions in the year, other than certain trustees' remuneration and expenses already disclosed in note 10.