

Registration number: 07657731

# The Castle Partnership Trust

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2022

SATURDAY



\*ABJ2XQWH\*

A13

17/12/2022

#79

COMPANIES HOUSE

**THE CASTLE PARTNERSHIP TRUST**  
**CONTENTS**

---

Reference and administrative details	1
Trustees' report	2 to 15
Governance statement	16 to 20
Statement of regularity, propriety and compliance	21
Statement of Trustees' Responsibilities	22
Independent Auditor's Report on the Financial Statements	23 to 26
Independent Reporting Accountant's Report on Regularity	27 to 28
Statement of Financial Activities	29 to 30
Balance Sheet	31
Statement of Cash Flows	32
Notes to the Financial Statements	33 to 57

**THE CASTLE PARTNERSHIP TRUST**  
**REFERENCE AND ADMINISTRATIVE DETAILS**

---

<b>Members</b>	K Canham P Haines S Naylor M Moore R Trowbridge
<b>Trustees (Directors)</b>	S Foster M Fox Dr M Griffiths C Hatch (resigned 6 September 2021) H Hamilton-Meikle K Nelson (appointed 17 March 2022) M Richmond S Watson R White (appointed 17 March 2022) G Price (resigned 29 March 2022)
<b>Chief Executive Officer</b>	S Watson
<b>Company Secretary</b>	J Gregory
<b>Senior Management Team</b>	S Watson, CEO A Crudgington, CFO J Gregory, Trust Secretary
<b>Principal and Registered Office</b>	The Castle School Wellington Road Taunton Somerset TA1 5AU
<b>Company Registration Number</b>	07657731
<b>Auditors</b>	Albert Goodman LLP Goodwood House Blackbrook Park Avenue Taunton TA1 1AR
<b>Bankers</b>	Lloyds Bank plc 31 Fore Street Taunton Somerset TA1 1HN

## **THE CASTLE PARTNERSHIP TRUST**

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

---

The Trustees present their annual report together with the financial statements and auditors' report of the Charitable Company for the year ended 31 August 2022. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates 1 secondary academy in Taunton – The Castle School – and three academies (two primary schools and one secondary) in Wellington – Wellesley Park Primary School, Isambard Kingdom Brunel Primary School (opened September 2020) and Court Fields Secondary School. The Castle School is for pupils aged 11 to 16 in Taunton. It has a pupil capacity of 1,188 and had a roll of 1,194 in the school census in October 2021. Court Fields School is for pupils aged 11 to 16 in Wellington. It has a pupil capacity of 950 and had a roll of 758 in the school census in October 2021. Wellesley Park Primary includes a nursery so its age range is from 2 – 11. It has a pupil capacity of 356 (primary age children) and had a roll of 325 in the school census in October 2021. Isambard Kingdom Brunel Primary also includes a nursery and, when at capacity, will have children aged 2 – 11. It opened in September 2020 with just reception and nursery classes. It will have a pupil capacity of 420 primary age children plus 52 place nursery. It had 55 pupils in its second school census in October 2021 (plus 49 in the nursery).

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

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

The Multi-Academy Trust is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Multi-Academy Trust. The Trustees of The Castle Partnership Trust are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as The Castle Partnership Trust.

Details of the Trustees who served throughout the year and to the date the accounts are approved are included in the Reference and Administration Details on page 1.

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

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

##### ***Trustees' indemnities***

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

## **THE CASTLE PARTNERSHIP TRUST**

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

---

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

The Multi-Academy Trust shall have the following Trustees as set out in its Articles of Association and funding agreement:

- Up to 7 Trustees who are appointed by members.
- A minimum of 2 Parent Trustees who are elected by parents of registered pupils at the Multi-Academy Trust (if there are not at least 2 Parent Local Governors on each established Local Governing Body).
- Community Trustees who are appointed by the Board of Trustees.
- The Chief Executive Officer (CEO) who is treated for all purposes as being an ex officio Trustee.

Trustees are appointed for a four-year period, except that this time limit does not apply to the CEO. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re appointed or re elected.

When appointing new Trustees, the Board will consider the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Trust's development.

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

The training and induction provided for new Trustees will depend upon their existing experience but would normally include a tour of the Academies with a chance to meet staff and pupils. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally only two or three new Trustees a year, induction is tailored specifically to the individual. Advantage is taken of specific courses offered by the Local Authority and other bodies such as the NGA.

There is a Trustees' away day organised each year which includes training sessions to keep all Trustees updated on relevant developments impacting on their roles and responsibilities.

## THE CASTLE PARTNERSHIP TRUST

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

---

#### ***Organisational structure***

The Board of Trustees normally meets once each term. The Board establishes an overall framework for the governance of the Multi-Academy Trust and determines membership, terms of reference and procedures of Committees and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

There are committees as follows;

- Local Governing Bodies – these meet at least three times a year and are responsible for carrying out the Board's vision, policies and priorities for each Academy, considering each Academy's required funding and supporting the Board in relation to the annual budgetary process.
- Business Committees these meet at least three times a year and are responsible for monitoring, evaluating and reviewing performance in relation to financial management, compliance with reporting and regulatory requirements, receiving reports from the Responsible Officer and drafting the annual budget including setting staffing levels, monitoring premises and health and safety issues and prioritising capital works, ensuring there is an appropriate staffing structure in place to deliver the curriculum.
- Education Committees these meet at least once a term and are responsible for monitoring academy exam and external test results and ensuring that every child achieves more than expected progress, has a sense of belonging and participates in enrichment.
- Standards committees- these meet for each school every term and are responsible for ensuring that LGBs are holding the school to account. Directors meet with the CoGs, who is supported by the Headteacher, and robustly challenge the performance of the School, monitoring progress and school improvement against the SEF and SIP.
- Admissions Committee meets most weeks to deal with all matters relating to admissions.
- Pay Committee – meets annually to determine staff pay.
- Members' Strategic Committee. Responsible for controlling the Trust's constitution, amending the Articles of Association when appropriate, reviewing the governance arrangements of the Trust including appointing and removing Trustees, intervening if the Board is not performing well and signing off the Trust's annual accounts.
- Risk and Audit Committee. Meets at least three times a year and is responsible for overseeing the Trust's financial, governance, risk management and internal control systems. The Committee reports its findings to the Board.

The following decisions are reserved to the Board of Trustees; to set the strategic direction of the Trust, to appoint the Headteachers, Clerk to the Trustees and Governors to the Local Governing Bodies, to approve the Annual Development Plan and budgets.

The Trustees and Board of Trustees have devolved responsibility for day to day management of the Academies to the Headteachers and Strategic Leadership Team (SLTs) of the respective schools. The SLTs comprise the Headteachers, Deputy Headteacher(s), Assistant Headteacher(s) and the Business Manager in each Academy. The SLTs implement the policies laid down by the Trustees and report back to them on performance.

The Multi-Academy Trust has a leadership structure which consists of the Trustees, The Senior Leadership Team and Team Leaders. The aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels.

The CEO is the Accounting Officer.

## **THE CASTLE PARTNERSHIP TRUST**

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

---

#### **Conflicts of interest**

Formal processes are in place across the Trust to manage any potential conflicts of interest. This includes declaration of pecuniary interests at all Board, committee or local governing body meetings, maintaining a register of interests and a culture of openness and transparency in all matters.

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

The senior leadership team comprise the key management personnel of each Academy in charge of directing and controlling, running and operating the Multi-Academy Trust on a day to day basis.

All Trustees give their time freely and no Trustee received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in the notes to the accounts.

The pay of key management personnel is based on recommended national pay scales and is reviewed annually by the Pay Committee. Pay scales have been increased in accordance with national pay increases and the pay point reflects performance during the year as specified in the Multi-Academy Trust's Pay Policy.

#### ***Trade union facility time***

There were no relevant union officials for the year ended 31 August 2022 but the Trust are investing in our own Trade Union representatives.

#### ***Connected organisations, including related party relationships***

Wellesley Park and IKB Primary schools have PTAs which hold events and raise funds for the school.

All Trust academies have strong collaborative links with local primary schools.

The Castle School and Court Fields School share their catering manager with Bishop Fox's School and provide catering services to local primary schools.

There are no related parties which either control or significantly influence the decisions and operations of the Multi-Academy Trust. There are no sponsors associated with any academy in the Multi-Academy Trust.

#### ***Engagement with employees (including disabled persons)***

The Trust engages with their employees through many means and methods, including:

- Consulting with employees on key matters, including engaging the relevant union representatives
- Regular updates to all staff members, via staff briefings/meetings and staff Bulletins.

#### ***Engagement with suppliers, customers and others in a business relationship with the Multi-Academy Trust***

The Trust wishes to continue to develop good business relationships with suppliers, customers and others in the community. Our status as a charity plays a key part in this and relationships with students and parents are vital to the Trust in supporting the local community.

## **THE CASTLE PARTNERSHIP TRUST**

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

---

#### **Objectives and activities**

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

The Multi-Academy Trust's objects are restricted to the following:

- 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 offering a broad and balanced curriculum ("the mainstream Academies") or educational institutions which are principally concerned with providing full-time or part-time education for children of compulsory school age who, by reason of illness, exclusion from school or otherwise, may not for any period receive suitable education unless alternative provision is made for them ("the alternative provision Academies") or 16 to 19 Academies offering a curriculum appropriate to the needs of its students ("the 16 to 19 Academies") or schools specially organised to make special educational provision for pupils with Special Educational Needs ("the Special Academies")

Throughout The Castle Partnership Trust we aim for every child to achieve the very best of which they are capable, to have a strong sense of belonging to their school and communities, and to participate in learning, enrichment and society. We intend to enable each child to realise his or her full potential and to develop positive social and moral values. Our Trust is a community in which children, staff and parents should be part of a happy and caring environment.

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

Key priorities for the year are contained in each Academy's Development Plan which is available from the respective school offices. Key aims for this year included:

- Every child in the Trust will read fluently and accurately at the stage appropriate for their age.
- Children from disadvantaged backgrounds will achieve at least age-appropriate standards in English and Maths.
- That teaching and learning is consistently good in all academies, in all subjects and years and for every child.
- Increase the numbers at Wellesley Park and IKB to ensure financial security
- To prepare for Orchard Grove's readiness for opening in 2024.

##### ***Public benefit***

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commissioner's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Multi-Academy Trust's aims and objectives and in planning its future activities.

The Multi-Academy Trust aims to advance for the public benefit, education in Taunton, Wellington and the surrounding area.



## **THE CASTLE PARTNERSHIP TRUST**

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

---

#### **Strategic Report**

##### **Achievements and performance**

The Castle School was inspected by OFSTED in 2009 and was judged to be Outstanding. It is due for reinspection imminently. Under the new inspection framework, the school is likely to be Good although this is likely to be a strong Good following work to develop the confidence of a relatively new SLT.

Court Fields School was inspected in March 2019 and was judged to be Requiring Improvement for the third time. The last monitoring visit in June 2021 reported that effective action is being taken in order for the school to become "Good". The School's reputation in the community has improved considerably and staff report a great sense of cohesion and feeling valued. There are fewer complaints and concerns and a great many compliments. Court Fields has thrived under the leadership of the new SLT ably led by the new Headteacher. They have become a very well functioning team and GCSE results for 2022 show a good level of progress. We believe the school will be Good in its next inspection. Ofsted are due in 2022/23.

Performance at the end of key stage 4 in both schools has improved.

Wellesley Park Primary joined the Trust in 2018 from a previous Trust and was re-brokered by the RSC. Wellesley Park was inspected by OFSTED in 2022 and was judged to be Good.

Isambard Kingdom Brunel Primary had its pre-opening inspection in June 2020 and received extremely positive feedback. Stakeholders are exceptionally positive and all feedback is excellent. It will be inspected in 2022/23.

The Castle School remains significantly oversubscribed. There were 524 applications for the 240 places available in year 7 for September 2022 with 1195 students across all age groups. The PAN for Court Fields School is currently 860 but with an assessed capacity of 950 which has been increased to meet higher pupil projections in future years. There were 746 students on roll at the commencement of the 2022/23 academic year. Wellesley Park's pupil numbers are 321 in the school and 17 in the pre-school in September 2022. Isambard Kingdom Brunel was oversubscribed (84 applications for the 30 places available in reception) in September 2022 and has started the new academic year with 87 pupils across three school year groups plus 53 children in the nursery.

At The Castle School, the one remaining art classroom was refurbished (the other two were refurbished in 2020/21) and the two food classrooms were also fully refurbished. The tennis courts were recoated and an additional practice court was created. Three of the IT suites have been fully upgraded and the iMacs in music have been replaced with Windows PCs. iPads have also been replaced with Surface Go devices.

At Court Fields, the fire safety compliance project has been completed as a result of the successful capital funding bid for £267k.

The boiler was replaced at Wellesley Park during the Autumn of 2021 as a result of CIF funding of £117k. A site security project also took place at the school during the year, funded by a successful capital bid of £90k. This included new/replacement fencing and site access improvements.

More remedial works have taken place at IKB primary school during 2021/22, the largest of which was during the 2022 summer holidays to relocate the gates, undertake drainage works, soft landscaping and fencing repairs/replacement. These works to address defects are being funded by Portakabin.

## THE CASTLE PARTNERSHIP TRUST

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

---

At The Castle School, the examination results for 2022 were:

- Grade 4 or above in English and Maths: 83%
- Grade 5 or above in English and Maths: 67%
- Progress 8 measure: +0.35

At Court Fields School, the examination results for 2022 were:

- Grade 4 or above in English and Maths: 59%
- Grade 5 or above in English and Maths: 41%
- Progress 8 measure: -0.08

Key Stage 2 SATS results for Wellesley Park for 2022 were:

- Writing (Teacher Assessed): 79%
- Maths: 74%
- Reading: 79%
- Grammar, punctuation and spelling: 81%
- Reading, Writing and Maths (combined): 62%

To ensure that standards are continually assessed, the Trust operates a programme of monitoring and evaluation which includes lesson observations, (which are undertaken by the Department Heads and the School Leadership Teams), analysis of progress data and training in response to identified needs.

During the year, fundraising activities raised £7,816 for charity at The Castle School and £5,484 at Court Fields School.

#### ***Key financial performance indicators***

The main financial performance indicator is the level of reserves held at the Balance Sheet date. In particular, the management of spending against General Annual Grant (GAG) requires special attention although there is currently no specific restriction. In period under review, £1,758,065 was carried forward representing 13.8% of GAG.

As funding is based on pupil numbers this is also a key performance indicator. Pupil numbers on the October census for 2021 across the Trust were 2332 – an increase of 13 pupils since 2020.

#### ***Going concern***

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

## THE CASTLE PARTNERSHIP TRUST

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

---

#### **Financial review**

Most of the Multi-Academy Trust's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2022 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Trust also receives grants for fixed assets from the DfE which are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Multi-Academy Trust's accounting policies.

During the year ended 31 August 2022, the Multi-Academy Trust received total income of £16,250,780 and incurred total expenditure of £17,370,234. The excess of expenditure over income for the year was £1,119,454.

As at 31 August 2022, the Trust held restricted funds of £1,884,360 and unrestricted funds of £1,636,993, a total of £3,521,353 (excluding pension and capital).

At 31 August 2022 the net book value of fixed assets was £35,228,522 and movements in tangible fixed assets are shown in note 12 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Trust.

The Trust has taken on the deficit in the Local Government Pension Scheme in respect of its support staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in Note 25 to the financial statements.

Key financial policies adopted or reviewed during the year include the Finance Policy which lays out the framework for financial management, including financial responsibilities of the Board, Headteacher, managers, budget holders and other staff, as well as delegated authority for spending. Other financial policies include the investment policy, capitalisation and depreciation policy and the reserves policy.

Trustees have appointed Education Financial Services to undertake a programme of internal checks on financial controls. During the year, the Trustees received reports from the Responsible Officer which provided recommendations for improvements but did not raise major concerns.

#### ***The principal sources of funding and how expenditure has supported the key objectives of the multi-academy trust***

In circumstances when fundraising is undertaken, systems and controls are in place to separate and protect funds. The Trust is aware of its responsibilities under the Charities (Protection and Social Investment) Act 2016 and legal rules and ensures all activities are agreed and monitored at Senior Leadership Team level in compliance with relevant legal rules. Recognised standards are applied to ensure that fundraising is open, honest and respectful, protecting the public from undue pressure to donate. The Trust does not work with professional fundraisers or companies who carry out fundraising on its behalf. Complaints would be handled and monitored through the Trust's complaints procedure. During the year no complaints or issues have arisen as a result of fundraising events.

## THE CASTLE PARTNERSHIP TRUST

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

---

#### *Reserves policy*

The Trustees review the reserve levels of the Trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of the academies, the uncertainty over future income streams and other key risks identified during the risk review.

The Castle Partnership Trust's policy is to spend its General Annual Grant (GAG) funding first, before spending its unrestricted funds in order to minimize the risk of accumulating restricted funds which were, historically, subject to clawback.

The policy of the Trust is also to carry forward a prudent level of resources designed to meet the long term cyclical needs of renewal and any other unforeseen contingencies, subject to the constraint that the level of resources does not exceed the level permitted by the ESFA (currently no limit has been set). The targeted amount of reserves the Trust would be expecting to hold would be one month's annual grant funding, ie 8.3% of GAG.

The Trustees have reviewed the future plans of the Multi-Academy Trust and have set designated reserves as follows:

- £181,787 relating to grants received which are being spent over more than one financial year at The Castle School (eg NCCE Computing Hub, COVID Catch up grant, Art therapy grant, Pathfinder Project, Mandarin Excellence Programme)
- £109,322 in relation to funds held at The Castle School on behalf of third parties (eg community music, contributions for school trips/clubs, charity collections)
- £99,597 for committed curriculum and department funding at The Castle School
- £260,258 as an earmarked premises contingency for The Castle School, including £182k sinking fund for the ATP/track.
- £29,173 in relation to the remaining phases of the Art & Food Classroom refurbishment projects at The Castle School.
- £30,659 for continuing IT upgrade works
- £15,088 for The Castle School's Building Energy Management System upgrade
- £204,260 for capital projects at The Castle School, previously agreed by the Board
- £100,000 agreed from reserves/carry forward to support funding applications for the installation of a 3G sports pitch at Court Fields School
- £13,940 balance of grant income for Eco Council, Maths, SASP, Mentoring, PE and concerts at Court Fields School
- £54,732 relating to funds held at Court Fields School on behalf of third parties (eg school trips, charities)
- £25,960 for committed department or curriculum funding at Court Fields School
- £9,053 for Court Fields School's Building Energy Management System upgrade
- £217,424 which relates to the balances of CIF funds at Wellesley Park (£200,653 of which is for Fire Safety project, £11,626 Safeguarding project, £5,145 Heating project)
- £10,561 contribution from Wellesley Park to the CIF Fire Safety project
- £9,051 balance from Wellesley Park's COVID Catch up premium
- £40,597 as an earmarked premises contingency for Wellesley Park School.
- £7,844 relating to funds held at Wellesley Park school on behalf of third parties (eg school trips).
- £3,018 for Wellesley Park's Building Energy Management System upgrade
- £10,249 balance of pre-opening grant at IKB primary.
- £3,018 for IKB's Building Energy management system upgrade
- £19,116 for committed department funding at IKB school

## **THE CASTLE PARTNERSHIP TRUST**

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

---

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Multi-Academy Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Multi-Academy Trust's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the Multi-Academy Trust.

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

Cash flow and account balances are regularly monitored to ensure that immediate financial commitments can be met (payroll and payments runs) and that the current account has adequate balances to meet forthcoming commitments. No overdraft facility is allowed.

Funds surplus to immediate cash requirements are identified and transferred to Fixed Term Deposit/High Interest Accounts to optimise interest. Where the cash flow identifies a base level of cash funds that will be surplus to requirements these are invested in "A rated" investment accounts/institutions.

Interest rates are reviewed regularly and compared with other investment opportunities.

Funds are only invested in low risk and easily accessible deposit accounts based on medium to long term forecast and financial planning. Funds can be invested for up to one year. For investments of 12 months or longer or alternative investments proposals would need prior approval from the Business Committee.

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

The Board of Trustees has reviewed the major risks to which the Multi-Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Trust has established a Risk Register which has been discussed with Trustees and includes the financial risks. The register is reviewed in light of any new information.

The principal risks and uncertainties facing the Trust are as follows:

**Financial** the Trust has considerable reliance on continued Government funding through the Education and Skills Funding Agency (ESFA). The school's incoming resources are Government funded and whilst this level is expected to be largely protected, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms. Funding increases in line with pay and price inflation are not guaranteed and often not met. In the current economic climate, this is becoming even more significant.

**Failures in governance and/or management** the risk in this area arises from potential failure to effectively manage the Trust's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.

**Reputational** the continuing success of the Trust is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student success and achievement are closely monitored and reviewed.

**Safeguarding and child protection** the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.

## **THE CASTLE PARTNERSHIP TRUST**

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

---

Staffing - the success of the Trust is reliant on the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

Fraud and mismanagement of funds including cyber risks The school has appointed Education Financial Services (EFS) to carry out checks on financial systems and records. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area and clear segregation of duties are in place to minimise risks. The risks from cyber fraud have increased across the sector during recent years and staff have been provided with training on this.

Covid-19 - the coronavirus pandemic has had a significant impact on school finances, staffing, organisation and education over the last two years. Whilst this has reduced, some uncertainty and risks remain.

The Trust has continued to strengthen its risk management process. A risk register is maintained and reviewed and updated on a regular basis.

The Trustees have assessed the major risks to which the Trust is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described in the Finance Policy. Where significant financial risk still remains they have ensured they have adequate insurance cover.

Whilst the Trust's pupil numbers overall are stable, risks to revenue funding from a falling roll are small. In particular for our new school, Orchard Grove, pupil numbers are more volatile, though protected through the Local Authority. The uncertainty of the Government's overall education budget, changes in funding arrangements for High Needs and increasing employment and other costs mean that budgets will be increasingly tight in coming years.

The Trustees examine the financial health formally every term, reviewing performance against budgets and overall expenditure by means of regular update reports at all full Trustees' and Business Committee meetings (now Resources & Risk Committee). The Trustees also ensure sufficient funds are held to cover all known and anticipated commitments.

At the year end, the Trust had no significant liabilities arising from trade creditors or debtors where there would be a significant effect on liquidity.

The Board of Trustees recognises that the defined benefit scheme deficit (Local Government Pension Scheme), which is set out in Note X to the financial statements, represents a significant potential liability. However as the Trustees consider that the Trust is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of Academy closure, outstanding local government pension scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

THE CASTLE PARTNERSHIP TRUST

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

Streamlined Energy and Carbon Reporting

STREAMLINED ENERGY AND CARBON REPORTING

Energy Source	Consumption	Scope	Emissions Calculation
Gas – total kWh (kilowatt-hours) used for the year taken from gas bills for each academy within the trust	260,537 kWh (gross CV (calorific value))	Scope 1	1,430,028 kWh * 0.18219 (2022 fuels, natural gas conversion factor gross CV to kg CO <sub>2</sub> e) = 260,537 kg CO <sub>2</sub> e = 260.5 tCO <sub>2</sub> e
Electricity – total kWh used for the year, taken from the electricity bills for each academy within the trust	202,194 kWh	Scope 2	1,057,445 kWh * 0.19121 (2022 electricity conversion factor to kg CO <sub>2</sub> e) = 202,194kg CO <sub>2</sub> e = 202 tCO <sub>2</sub> e
Transport – Minibuses at Castle and Court Fields plus Catering delivery van at Court Fields	14,375 miles = 25,575 kWh (2022 SECR kWh passenger & delivery vehicles, Class III van diesel)	Scope 1	14,375 miles * 1.64 (2022 passenger & delivery vehicles, diesel vans class 3) = 23,575kg CO <sub>2</sub> e = 23.6 tCO <sub>2</sub> e
Transport – total mileage for petrol reimbursed from staff claims = 1798 miles	1798 miles * 0.27327 (2022 SECR kWh managed assets vehicles, average car conversion factor to kWh) = 491 kWh	Scope 3	1798miles * 0.27327 (2022 passenger vehicles, average car conversion factor to kg CO <sub>2</sub> e) = 491 kg CO <sub>2</sub> e = 0.5 tCO <sub>2</sub> e
<b>Total</b>			<b>486.8 tCO<sub>2</sub>e</b>
Intensity ratio	Emissions data (tCO <sub>2</sub> e) compared with an appropriate business activity (pupil numbers as per Autumn census)		486.8 tCO <sub>2</sub> e/2381 pupils = 0.2 tCO <sub>2</sub> e per pupil

## **THE CASTLE PARTNERSHIP TRUST**

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

---

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

We have followed the Government's Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2022 UK Government's Conversion Factors for Company Reporting.

#### **Intensity measurement**

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO<sub>2</sub>e per pupil, the recommended ratio for the sector. This has reduced since the previous year (2020/21 report was 0.23 tCO<sub>2</sub>e per pupil).

#### **Measures taken to improve energy efficiency**

We have continued to implement energy efficient measures when undertaking refurbishment and maintenance works. Across all schools, LED lighting is gradually replacing fluorescent tubes, insulation is being improved and more energy efficient boilers have been installed. The Trust is looking to apply to the Public Sector Decarbonisation fund in future to replace gas fired boilers with air source heat pumps.

The catering kitchens in both secondary schools have reduced plastic use and are using biodegradable materials wherever feasible. The Castle School's kitchen refurbishment included a change from gas to electric ovens – a cleaner energy source.

Court Fields School has solar panels and an Eco Council who monitor energy usage and provide useful reminders and low energy consumption bulbs are now provided as standard when replacing bulbs around the school.

#### **Fundraising**

In circumstances when fundraising is undertaken, systems and controls are in place to separate and protect funds. The Trust is aware of its responsibilities under the Charities (Protection and Social Investment) Act 2016 and legal rules and ensures all activities are agreed and monitored at Senior Leadership Team level in compliance with relevant legal rules. Recognised standards are applied to ensure that fundraising is open, honest and respectful, protecting the public from undue pressure to donate. The Trust does not work with professional fundraisers or companies who carry out fundraising on its behalf. Complaints would be handled and monitored through the Trust's complaints procedure. During the year no complaints or issues have arisen as a result of fundraising events.

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

The Trust will continue to strive to provide outstanding education and improve the levels of performance of its students. The Trust will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

The Trust will continue to work with partner schools to improve the educational opportunities for students in the wider community.

The Trust area of focus for education next year is to ensure that every child is a reader and that children from disadvantaged backgrounds achieve in English and Maths in particular.

The Trust is developing the plans around provision for SEND and SEMH across the area next year and plans to provide exceptional levels of intervention and support for those families in the Trust catchment.



## THE CASTLE PARTNERSHIP TRUST

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

---

#### **Funds held as Custodian Trustee on behalf of others**

The Multi-Academy Trust and its Trustees do not act as the Custodian Trustees of any other Charity.

#### **Additional Companies Act requirements**

##### **Employee involvement and employment of the disabled**

##### **• Staff Consultation and Disability for Employees**

With regard to staff consultation, the Trustees aim to ensure that staff of the Trust are consulted at all times on fundamental issues impacting upon their employment and conditions of service. Staff are encouraged to be part of a trade union and trade union representatives have regular meetings with the Headteachers of their respective schools. They are also encouraged to discuss anything of concern with a member of the SLT.

##### **• Disability**

The Trustees are committed to the elimination of discrimination in employment including disability discrimination. This applies to all stages of employment including recruitment and selection, development and training, pay, career progression, redundancy and retirement. This commitment is demonstrated in the Trust's staffing and equalities policies.

#### **Auditor**

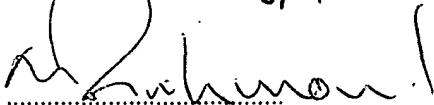
Insofar as the Trustees are aware:

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

#### **Reappointment of auditor**

The auditors, Albert Goodman LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

The trustees' report, incorporating a Strategic Report, was approved by order of the members of the Board of Trustees on 8/12/22 and signed on its behalf by:



M Richmond  
Trustee

## **THE CASTLE PARTNERSHIP TRUST**

### **GOVERNANCE STATEMENT**

---

#### **Scope of responsibility**

As trustees, we acknowledge we have overall responsibility for ensuring that The Castle Partnership 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 S Watson, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Castle Partnership Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

#### **Governance**

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 6 times during the year. 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>
M Fox	5	6
M Richmond	6	6
S Watson	6	6
H Hamilton-Meikle	4	5
C Hatch	0	0
S Foster	5	6
Dr M Griffiths	5	6
R White	1	2
K Nelson	2	2
G Price	3	4

#### **Governance reviews**

The most recent skills audits were carried out in October 2022 for Governors and Trustees. The skills, experience and competencies of Governors and Trustees are regularly reviewed and recruitment carried out to address any skills shortages.

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

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

The Accounting Officer considers how the trust's use of 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 appropriate. The Accounting Officer for the Multi-Academy Trust has delivered improved value for money during the year by:

## THE CASTLE PARTNERSHIP TRUST

### GOVERNANCE STATEMENT (CONTINUED)

---

**Targeted improvement:** The Trust has kept its staffing structure under constant review and deployed staff efficiently to target curriculum areas in need of development. This has included sharing specialist staff from the secondary schools with the primary schools in the Trust (eg SEMHCO, SENDCO, IT Manager, Music and Languages teachers).

**Focus on individual pupils:** The Trust has managed the differing needs of pupils, such as those requiring one to one support and those identified as gifted & talented. Where appropriate, funding has been targeted to support individual needs. TA reviews have identified the most effective practice with greatest impact on outcomes and work continues to focus on these areas.

**Collaboration:** The Trust has close links with its local primary schools and secondary schools. Within the Multi-Academy Trust, we procure goods and services collectively where possible and share staff and resources across the academies in the Trust where it makes sense to do so. We are continuing to develop strategies to secure best value for money. Savings have been realised in a Trust grounds maintenance contract, Trust cleaning contract, refuse and recycling contracts, payroll service, advertising, Data Protection officer service, legal fees, Health and safety support, accountancy and audit fees, IT support and software licences, finance support and staff training.

Along with a third secondary school in the area, both The Castle School and Court Fields Schools have an in-house Catering Service and share a Catering Manager in order to bring about savings for the school and for students and to directly influence quality, choice and service.

**Financial governance and oversight:** The Trust benefits from the provision of the Independent Financial Review function through Education Financial Services. This provides an audit of key financial policies, systems and procedures, including the use of tenders and provides reports on compliance to the Audit & Risk Committee. The Trust's system of financial governance includes strong oversight by the trustees and the accounting officer. The full Board approves the budget each year and is mindful of the need to balance expenditure against income to ensure the Multi-Academy Trust remains a 'going concern'. The Board also receives and approves the Annual Accounts and the External Auditors' Management Report. The financial position is reviewed on a monthly basis by senior staff and the Chair of Governors. In accordance with the Trust's financial policy, large items of expenditure are brought to the attention of governors to ensure the appropriate protocol has been followed and effectiveness of spending proposals in order to achieve value for money. Last year this included the professional services contracts and energy procurement for the Trust and the food classroom refurbishment project at The Castle School.

**Better purchasing:** For everyday small scale expenditure such as stationery, cleaning materials and consumables we ensure we have access to a range of reputable suppliers and the Finance teams will carry out regular price comparisons. If the lowest quote is not accepted, the reasons are recorded and reported. In order to get more for its money, the Trust constantly reviews its contracts, service agreements and commonly used suppliers. Contracts are renegotiated to get the best mix of quality and effectiveness for the least cost.

**Benchmarking:** The Trust benchmarks its costs against similar organisations and between schools in the Trust to identify areas for savings. We frequently use the Somerset Association of School Business Managers and the Financial Directors' Forum to compare costs and obtain recommendations on suppliers. We also use the DfE's "View My Financial Insights" benchmarking data to compare our spending patterns to similar schools.

**Options appraisal:** Different options are explored before making purchases, including an assessment of the costs and benefits of the alternatives over the longer term. Tendering is used when appropriate to get the best deal and three quotes are always sought for larger purchases.

## **THE CASTLE PARTNERSHIP TRUST**

### **GOVERNANCE STATEMENT (CONTINUED)**

---

**Economies of scale:** The Trust takes every opportunity to work collaboratively to reduce and share administration and procurement costs. In particular, across the schools in the Trust, with our feeder primary schools and with other schools and academies in Somerset. For example, our in-house catering service servicing three secondary and seven primary schools has enabled us to negotiate good deals with suppliers.

**Better income generation:** The Trust maximises income generation wherever possible. For example, lettings income at The Castle School has established a number of longer term agreements. Since April 2019 when SCC's contract with 1610 ended, The Castle School's sports facilities have been managed by the school at all times. Hire of facilities outside of school hours brings income into the school to provide a sinking fund and contribute to maintenance costs. Court Fields School also has a thriving school lettings operation which generates income sufficient to offset against its annual spending plans. Investment opportunities for the Trust are regularly reviewed and deposits have been made in accounts which have higher interest rates although rates on all savings nationally have been very low for the past year. In addition, funding bids are made wherever appropriate in order to obtain external funding. The Castle School has been successful in obtaining capital grant funding (CIF) seven years out of eleven. Court Fields has been successful in obtaining capital grant funding five years out of nine. Wellesley Park has been successful in all four years of applying.

**Reviewing controls and managing risks:** The Trust has organised its internal controls to maximise its use of assets. Budget holders and governors receive regular budget reports in order that they can make wise decisions on purchasing and prioritise accordingly. Monthly budget monitoring reports are reviewed by the Business Managers and necessary remedial action taken to address any significant variances that may have an impact on the budget out-turn. Departments are recharged for photocopying and stationery costs, for example, which ensures that they make value for money decisions and prevent waste. Bank balances and investments are reviewed regularly to manage risks whilst still gaining interest. Appropriate insurances are obtained to manage risks.

**Lessons learned:** The Trust is constantly striving to learn from its strategies and decisions in order to make the budget go further.

**Conflicts of Interest:** The Trust has in place processes to manage conflicts of interest This includes maintaining an up-to-date and complete register of interests and a declaration of business interests at the start of any Governing Body, Committee or Board meeting.

#### **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 multi-academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Castle Partnership Trust for the year ended 31 August 2022 and up to the date of approval of the annual report and financial statements.

#### **Capacity to handle risk**

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

**THE CASTLE PARTNERSHIP TRUST**  
**GOVERNANCE STATEMENT (CONTINUED)**

---

***The risk and control framework***

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the Finance and General Purposes 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;
- identification and management of risks.
- delegation of authority and segregation of duties

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However the Trustees have appointed Education Financial Services to carry independent financial reviews. This role includes giving advice on financial matters and performing a range of checks on the Multi-Academy Trust's financial systems. In particular, the checks carried out in the current period included:

- Financial operations and controls
- Procurement
- Payroll
- Purchasing systems
- Control account/bank reconciliations

On a quarterly basis, the reports to the Board of Trustees, through the audit committee on the operation of the systems of control and on the discharge of the Board of Trustees's financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

There were no material control or other issues reported by the Responsible Officer to date.

**THE CASTLE PARTNERSHIP TRUST**  
**GOVERNANCE STATEMENT (CONTINUED)**

---

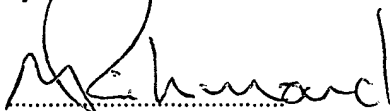
**Review of effectiveness**

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

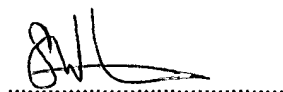
- the work of Education Financial Services undertaking independent financial reviews;
- the work of the external auditor;
- the work of the Trust Business Manager with individual School Business Managers within the Multi-Academy Trust who have responsibility for the development and maintenance of the 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 and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 8/12/22 and signed on its behalf by:



M Richmond  
Trustee



S Watson  
Trustee

## THE CASTLE PARTNERSHIP TRUST

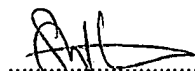
### STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

---

As Accounting Officer of The Castle Partnership Trust I have considered my responsibility to notify the Multi-Academy Trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Multi-Academy Trust, under the funding agreement in place between the Multi-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 Multi-Academy Trust Board of Trustees are able to identify any material irregular or improper use of funds by the Multi-Academy Trust, or material non-compliance with the terms and conditions of funding under the Multi-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 Board of Trustees and ESFA.



S Watson  
Accounting officer

Date: 8/12/22

**THE CASTLE PARTNERSHIP TRUST**  
**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

---

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:

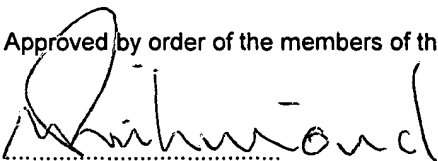
- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 8/2/22 and signed on its behalf by:



M Richmond  
Trustee



## **THE CASTLE PARTNERSHIP TRUST**

### **INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE CASTLE PARTNERSHIP TRUST**

---

#### **Opinion**

We have audited the financial statements of The Castle Partnership Trust (the 'Multi-Academy Trust') 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 Multi-Academy Trust 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 Multi-Academy Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Multi-Academy Trust'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.

## **THE CASTLE PARTNERSHIP TRUST**

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

---

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 22], 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 Multi-Academy Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Multi-Academy Trust 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.

## **THE CASTLE PARTNERSHIP TRUST**

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

---

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 Multi-Academy Trust 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 Multi-Academy Trust, 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 Multi-Academy Trust'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.

**THE CASTLE PARTNERSHIP TRUST**

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

---

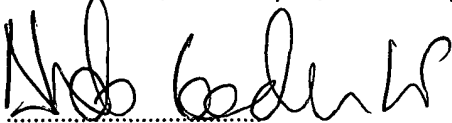
There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance 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 Multi-Academy Trust'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 Multi-Academy Trust'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 Multi-Academy Trust 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 LLP, Statutory Auditor

Goodwood House  
Blackbrook Park Avenue  
Taunton  
TA1 1AR

Date: 9/12/22

## **THE CASTLE PARTNERSHIP TRUST**

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

---

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 The Castle Partnership 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 The Castle Partnership Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we may state to The Castle Partnership 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 The Castle Partnership 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 Board of Trustees' 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 Multi-Academy Trust's income and expenditure.

**THE CASTLE PARTNERSHIP TRUST**

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

---

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 Multi-Academy Trust 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 LLP, Chartered Accountants

Goodwood House  
Blackbrook Park Avenue  
Taunton  
TA1 1AR

Date: 9/12/22

**THE CASTLE PARTNERSHIP 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>					
Donations and capital grants	2	23,452	20,108	252,327	295,887
<i>Charitable activities:</i>					
Funding for the Multi-Academy Trust's educational operations	3	-	14,426,369	-	14,426,369
Other trading activities	4	1,528,524	-	-	1,528,524
<b>Total</b>		<b>1,551,976</b>	<b>14,446,477</b>	<b>252,327</b>	<b>16,250,780</b>
<b>Expenditure on:</b>					
<i>Charitable activities:</i>					
Multi-Academy Trust educational operations	7	1,558,224	14,789,845	1,022,165	17,370,234
Net expenditure		(6,248)	(343,368)	(769,838)	(1,119,454)
Transfers between funds		-	(408,815)	408,815	-
<b>Other recognised gains and losses</b>					
Actuarial gain/(losses) on defined benefit pension scheme	25	-	10,379,000	-	10,379,000
Net movement in (deficit)/funds		(6,248)	9,626,817	(361,023)	9,259,546
<b>Reconciliation of funds</b>					
Total funds/(deficit) brought forward at 1 September 2021		1,924,468	(10,598,457)	35,517,361	26,843,372
Total funds/(deficit) carried forward at 31 August 2022		1,918,220	(971,640)	35,156,338	36,102,918

**THE CASTLE PARTNERSHIP TRUST**

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

**(INCLUDING INCOME AND EXPENDITURE ACCOUNT)**

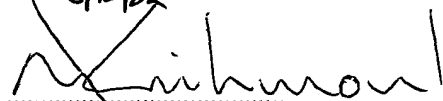
	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	(As restated) 2020/21 Total £
<b>Income and endowments from:</b>					
Donations and capital grants	2	21,384	-	7,778,506	7,799,890
<i>Charitable activities:</i>					
Funding for the Multi-Academy Trust's educational operations	3	616,043	13,938,739	-	14,554,782
Other trading activities	4	253,148	55,300	-	308,448
Investments	5	2,652	-	-	2,652
<b>Total</b>		<b>893,227</b>	<b>13,994,039</b>	<b>7,778,506</b>	<b>22,665,772</b>
<b>Expenditure on:</b>					
<i>Charitable activities:</i>					
Multi-Academy Trust educational operations	7	274,262	14,419,870	1,023,801	15,717,933
Net income/(expenditure)		618,965	(425,831)	6,754,705	6,947,839
Transfers between funds		-	(103,996)	103,996	-
<b>Other recognised gains and losses</b>					
Actuarial losses on defined benefit pension schemes	25	-	(714,000)	-	(714,000)
Net movement in funds/(deficit)		618,965	(1,243,827)	6,858,701	6,233,839
<b>Reconciliation of funds</b>					
Total funds/(deficit) brought forward at 1 September 2020		1,305,503	(9,354,630)	28,658,660	20,609,533
Total funds/(deficit) carried forward at 31 August 2021		1,924,468	(10,598,457)	35,517,361	26,843,372



**THE CASTLE PARTNERSHIP TRUST**  
**(REGISTRATION NUMBER: 07657731)**  
**BALANCE SHEET AS AT 31 AUGUST 2022**

	Note	2022 £	(As restated) 2021 £
<b>Fixed assets</b>			
Tangible assets	12	35,228,522	35,401,399
<b>Current assets</b>			
Debtors	13	569,727	912,068
Cash at bank and in hand		4,353,232	3,512,597
		4,922,959	4,424,665
Creditors: Amounts falling due within one year	14	(1,154,181)	(920,715)
Net current assets		3,768,778	3,503,950
Total assets less current liabilities		38,997,300	38,905,349
Creditors: Amounts falling due after more than one year	15	(38,382)	(49,977)
Net assets excluding pension liability		38,958,918	38,855,372
Pension scheme liability	25	(2,856,000)	(12,012,000)
Net assets including pension liability		36,102,918	26,843,372
<b>Funds of the Multi-Academy Trust:</b>			
<b>Restricted funds</b>			
Restricted general fund		(971,640)	(10,598,457)
Restricted fixed asset fund		35,156,338	35,517,361
		34,184,698	24,918,904
<b>Unrestricted funds</b>			
Unrestricted general fund		1,624,220	1,924,468
Unrestricted designated fund		294,000	-
		1,918,220	1,924,468
Total funds		36,102,918	26,843,372

The financial statements on pages 29 to 57 were approved by the Trustees, and authorised for issue on 8/12/22 and signed on their behalf by:



M Richmond  
Trustee

**THE CASTLE PARTNERSHIP TRUST**

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

---

		2022	(As restated) 2021
	Note	£	£
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	19	1,455,439	9,137,888
Cash flows from investing activities	21	(603,210)	(7,447,438)
Cash flows from financing activities	20	<u>(11,594)</u>	<u>(16,660)</u>
Change in cash and cash equivalents in the year		840,635	1,673,790
Cash and cash equivalents at 1 September		<u>3,512,597</u>	<u>1,838,807</u>
Cash and cash equivalents at 31 August	22	<u><u>4,353,232</u></u>	<u><u>3,512,597</u></u>

## THE CASTLE PARTNERSHIP TRUST

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

---

#### 1 Accounting policies

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

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

The financial statements of the Multi-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 Multi-Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Multi-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 Multi-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.

**THE CASTLE PARTNERSHIP TRUST**

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

**(CONTINUED)**

---

**1 Accounting policies (continued)**

***Sponsorship income***

Sponsorship income provided to the Multi-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 Multi-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 Multi-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 Multi-Academy Trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

## THE CASTLE PARTNERSHIP TRUST

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

#### (CONTINUED)

---

#### 1 Accounting policies (continued)

##### *Charitable activities*

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

##### *Tangible fixed assets*

Assets costing £5,000 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.

Asset class	Depreciation method and rate
Long-term leasehold property	2% straight line
Office equipment	10% straight line
Computer equipment	33% straight line
Motor vehicles	20% 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 Multi-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.

**THE CASTLE PARTNERSHIP TRUST**

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

**(CONTINUED)**

---

**1 Accounting policies (continued)**

***Provisions***

Provisions are recognised when the Multi-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 Multi-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 Multi-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.

## THE CASTLE PARTNERSHIP TRUST

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

#### (CONTINUED)

---

#### 1 Accounting policies (continued)

##### **Pension benefits**

Retirement benefits to employees of the Multi-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 Multi-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 Multi-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 Multi-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.

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

---

**1 Accounting policies (continued)*****Critical accounting estimates and assumptions***

The Multi-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 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

***Prior period adjustment***

The comparative year has been restated to reduce the property valuation on conversion at Isambard Kingdom Brunel Primary School by £501,365 in line with the ESFA valuations received.

**2 Donations and capital grants**

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2021/22 Total £	(As restated) 2020/21 Total £
Capital grants					
DfE/ESFA	-	-	252,327	252,327	545,411
Other donations	23,452	20,108	-	43,560	21,384
Donated fixed assets	-	-	-	-	7,233,095
	<u>23,452</u>	<u>20,108</u>	<u>252,327</u>	<u>295,887</u>	<u>7,799,890</u>



**THE CASTLE PARTNERSHIP TRUST**

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

**(CONTINUED)**

**3 Funding for the Multi-Academy Trust's educational operations**

	<b>Restricted funds £</b>	<b>2021/22 Total £</b>	<b>2020/21 Total £</b>
<b>DfE/ESFA revenue grants</b>			
General Annual Grant (GAG)	12,784,808	12,784,808	11,515,855
Other DfE Grants	215,825	215,825	892,160
Pupil Premium	503,374	503,374	517,189
	<u>13,504,007</u>	<u>13,504,007</u>	<u>12,925,204</u>
<b>Other government grants</b>			
Local authority grants	113,481	113,481	83,466
High Needs	567,242	567,242	338,462
Catch-up premium	-	-	278,109
COVID-19 emergency support	-	-	17,340
	<u>680,723</u>	<u>680,723</u>	<u>717,377</u>
<b>Non-government grants and other income</b>			
Other Income	241,639	241,639	225,991
<b>Total grants</b>	<u>14,426,369</u>	<u>14,426,369</u>	<u>13,868,572</u>

**4 Other trading activities**

	<b>Unrestricted Funds £</b>	<b>2021/22 Total £</b>	<b>2020/21 Total £</b>
Other income	<u>1,528,524</u>	<u>1,528,524</u>	<u>308,448</u>

**5 Investment income**

	<b>2020/21 Total £</b>
Short term deposits	<u>2,652</u>

THE CASTLE PARTNERSHIP TRUST

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

(CONTINUED)

6 Expenditure

	Staff costs £	Non Pay Expenditure Premises £	Other costs £	2021/22 Total £	2020/21 Total £
<b>Mult-Academy Trust's educational operations</b>					
Direct costs	9,704,184	-	1,300,415	11,004,599	10,587,399
Allocated support costs	<u>3,454,742</u>	<u>1,894,214</u>	<u>1,016,679</u>	<u>6,365,635</u>	<u>5,130,534</u>
	<u>13,158,926</u>	<u>1,894,214</u>	<u>2,317,094</u>	<u>17,370,234</u>	<u>15,717,933</u>

7 Charitable activities

		2021/22 £	2020/21 £
Direct costs - educational operations		11,004,599	10,587,399
Support costs - educational operations		<u>6,365,635</u>	<u>5,130,534</u>
		<u>17,370,234</u>	<u>15,717,933</u>
	<b>Educational operations £</b>	<b>2021/22 Total £</b>	<b>2020/21 Total £</b>
<b>Analysis of direct costs</b>			
Teaching and educational support staff costs	9,704,184	9,704,184	9,363,819
Educational consultancy	90,540	90,540	17,442
Other direct costs	963,510	963,510	956,085
Technology costs	<u>246,365</u>	<u>246,365</u>	<u>250,053</u>
Total direct costs	<u>11,004,599</u>	<u>11,004,599</u>	<u>10,587,399</u>

**THE CASTLE PARTNERSHIP TRUST**

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

**(CONTINUED)**

**7 Charitable activities (continued)**

	<b>Educational operations £</b>	<b>2021/22 Total £</b>	<b>2020/21 Total £</b>
<b>Analysis of support costs</b>			
Support staff costs	3,454,742	3,454,742	2,430,350
Depreciation	1,028,413	1,028,413	1,030,051
Recruitment and support	107,411	107,411	28,971
Rent, rates and utilities	319,173	319,173	284,422
Insurance	54,922	54,922	48,131
Catering	259,109	259,109	379,832
Maintenance of premises and equipment	228,213	228,213	266,538
Cleaning	318,415	318,415	348,010
Professional fees	41,088	41,088	98,686
Other support costs	554,149	554,149	215,543
<b>Total support costs</b>	<b>6,365,635</b>	<b>6,365,635</b>	<b>5,130,534</b>

**8 Staff**

**Staff costs**

	<b>2021/22 £</b>	<b>2020/21 £</b>
<b>Staff costs during the year were:</b>		
Wages and salaries	8,998,173	8,286,863
Social security costs	843,921	783,779
Operating costs of defined benefit pension schemes	3,204,350	2,568,531
	<b>13,046,444</b>	<b>11,639,173</b>
<b>Agency Staff Costs</b>		
Agency Staff Costs	112,482	154,996
	<b>13,158,926</b>	<b>11,794,169</b>

**THE CASTLE PARTNERSHIP TRUST**

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

**(CONTINUED)**

---

**8 Staff (continued)**

**Staff numbers**

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

	2022 No	2021 No
<b>Charitable Activities</b>		
Teachers	153	148
Administration and support	178	185
Management	18	18
	<u>349</u>	<u>351</u>

**Higher paid staff**

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

	2021/22 No	2020/21 No
£60,001 - £70,000	-	2
£70,001 - £80,000	2	1
£110,001 - £120,000	<u>-</u>	<u>1</u>

**Key management personnel**

The key management personnel of the Multi-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 Multi-Academy Trust was £242,043 (2021: £260,040).

**THE CASTLE PARTNERSHIP TRUST**

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

**(CONTINUED)**

**9 Central services**

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

- CEO
- Company Secretary/Clerk to Governors
- Trust Business Support and Governance

The Multi-Academy Trust charges for these services on the following basis:

Central services have been charged to each school on the basis of actual costs incurred

The actual amounts charged during the year were as follows:

	2021/22 £	2020/21 £
The Castle School	218,640	193,366
Court Fields School	157,811	152,604
Wellesley Park Primary School	67,521	67,792
Isambard Kingdom Brunel Primary School	42,103	38,206
	<u>486,075</u>	<u>451,968</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 Multi-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:

S Watson (Accounting Officer):

Remuneration: £70,000 - £75,000 (2021 - £85,000 - £90,000)

Employer's pension contributions: £15,000 - £20,000 (2021 - £20,000 - £25,000)

Other related party transactions involving the trustees are set out in note 26.

**11 Trustees' and officers' insurance**

The Multi-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.

**THE CASTLE PARTNERSHIP TRUST**

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

**(CONTINUED)**

**12 Tangible fixed assets**

	(As restated) Leasehold land and buildings £	Furniture and equipment £	Computer equipment £	Motor vehicles £	(As restated) 2021/22 Total £
<b>Cost</b>					
At 1 September 2021	39,314,975	1,100,791	1,229,299	26,520	41,671,585
Additions	<u>731,614</u>	<u>35,791</u>	<u>88,132</u>	<u>-</u>	<u>855,537</u>
At 31 August 2022	<u>40,046,589</u>	<u>1,136,582</u>	<u>1,317,431</u>	<u>26,520</u>	<u>42,527,122</u>
<b>Depreciation</b>					
At 1 September 2021	4,633,074	582,543	1,030,327	24,243	6,270,187
Charge for the year	<u>769,403</u>	<u>94,632</u>	<u>163,619</u>	<u>759</u>	<u>1,028,413</u>
At 31 August 2022	<u>5,402,477</u>	<u>677,175</u>	<u>1,193,946</u>	<u>25,002</u>	<u>7,298,600</u>
<b>Net book value</b>					
At 31 August 2022	<u>34,644,112</u>	<u>459,407</u>	<u>123,485</u>	<u>1,518</u>	<u>35,228,522</u>
At 31 August 2021	<u>34,681,901</u>	<u>518,248</u>	<u>198,972</u>	<u>2,277</u>	<u>35,401,398</u>

**13 Debtors**

	2022 £	2021 £
Trade debtors	18,280	65,076
VAT recoverable	71,144	142,950
Prepayments and accrued income	<u>480,303</u>	<u>704,042</u>
	<u>569,727</u>	<u>912,068</u>

**THE CASTLE PARTNERSHIP TRUST**

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

**(CONTINUED)**

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

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Trade creditors	227,773	340,456
Other taxation and social security	416,764	397,683
ESFA Loans	17,893	13,260
Other creditors	9,220	-
Accruals and deferred income	482,531	169,316
	<u>1,154,181</u>	<u>920,715</u>

At the balance sheet date the academy trust was holding funds received in advance for the 2022-23 academic year included education trips and Universal Infant Free School Meal income.

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

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
ESFA Loans	<u>38,382</u>	<u>49,977</u>

The ESFA loan includes a Condition Improvement Fund (CIF) loan and Salix loans repayable by instalments over 8 years.

**THE CASTLE PARTNERSHIP 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)	863,920	12,784,808	(11,481,570)	(409,095)	1,758,063
Pupil Premium	165,349	503,374	(661,868)	-	6,855
High Needs Funding	-	567,243	(567,243)	-	-
Other Restricted Income	136,186	105,242	(253,232)	11,804	-
Other ESFA Income	5,923	185,021	(182,194)	(8,750)	-
UIFSM	-	59,150	(59,150)	-	-
Teaching School	37,632	-	(37,632)	-	-
STEM	62,383	241,639	(184,580)	-	119,442
Covid	142,150	-	(139,376)	(2,774)	-
Pension reserve	(12,012,000)	-	(1,223,000)	10,379,000	(2,856,000)
	<u>(10,598,457)</u>	<u>14,446,477</u>	<u>(14,789,845)</u>	<u>9,970,185</u>	<u>(971,640)</u>
<b>Restricted fixed asset funds</b>					
Fixed assets transferred on conversion	17,393,193	-	(383,429)	-	17,009,764
Donated Assets	7,669,779	-	(243,549)	-	7,426,230
Fixed assets purchased from GAG	1,454,058	-	(76,691)	287,823	1,665,190
DfE/ESFA Capital Grants	8,932,531	252,327	(306,842)	114,676	8,992,692
Fixed assets purchased from Start up Grant	41,585	-	(962)	-	40,623
Non-Government Capital Grants	92,852	-	(10,692)	-	82,160
Salix Loan	(66,637)	-	-	6,316	(60,321)
	<u>35,517,361</u>	<u>252,327</u>	<u>(1,022,165)</u>	<u>408,815</u>	<u>35,156,338</u>
<b>Total restricted funds</b>	<u>24,918,904</u>	<u>14,698,804</u>	<u>(15,812,010)</u>	<u>10,379,000</u>	<u>34,184,698</u>



**THE CASTLE PARTNERSHIP TRUST**

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

**(CONTINUED)**

**16 Funds (continued)**

	Balance at 1 September 2021 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2022 £
<b>Unrestricted funds</b>					
General Funds	1,636,991	1,551,976	(1,551,974)	(294,000)	1,342,993
Designated for capital	287,477	-	(6,250)	-	281,227
Designated fund - The Castle School Artificial Pitch and Capital Fund	-	-	-	194,000	194,000
Designated fund - Court Fields School Artificial Pitch Fund	-	-	-	100,000	100,000
Total unrestricted funds	<u>1,924,468</u>	<u>1,551,976</u>	<u>(1,558,224)</u>	<u>-</u>	<u>1,918,220</u>
Total funds	<u>26,843,372</u>	<u>16,250,780</u>	<u>(17,370,234)</u>	<u>10,379,000</u>	<u>36,102,918</u>

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

	Balance at 1 September 2020 £	(As restated) Incoming resources £	Resources expended £	Gains, losses and transfers £	(As restated) Balance at 31 August 2021 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	1,005,280	11,515,855	(11,553,219)	(103,996)	863,920
Pupil Premium	9,064	517,189	(360,904)	-	165,349
High Needs Funding	-	338,462	(338,462)	-	-
Other Restricted Income	36,799	339,291	(239,904)	-	136,186
Other ESFA Income	-	57,264	(51,341)	-	5,923
UIFSM	-	177,229	(177,229)	-	-
Teaching School	13,333	55,300	(31,001)	-	37,632
IKB Grant	18,894	-	(18,894)	-	-
Teachers Pay/Pension Grant	-	600,420	(600,420)	-	-
STEM	-	97,580	(35,197)	-	62,383
Covid	-	295,449	(153,299)	-	142,150
Pension reserve	<u>(10,438,000)</u>	<u>-</u>	<u>(860,000)</u>	<u>(714,000)</u>	<u>(12,012,000)</u>
	<u>(9,354,630)</u>	<u>13,994,039</u>	<u>(14,419,870)</u>	<u>(817,996)</u>	<u>(10,598,457)</u>

THE CASTLE PARTNERSHIP TRUST

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

(CONTINUED)

16 Funds (continued)

	Balance at 1 September 2020 £	(As restated) Incoming resources £	Resources expended £	Gains, losses and transfers £	(As restated) Balance at 31 August 2021 £
<b>Restricted fixed asset funds</b>					
Fixed assets transferred on conversion	17,776,829	-	(383,636)	-	17,393,193
Donated Assets	714,642	7,213,818	(258,681)	-	7,669,779
Fixed assets purchased from GAG	1,508,538	-	(116,734)	62,254	1,454,058
DfE/ESFA Capital Grants	8,628,900	496,511	(874,567)	681,425	8,932,269
Fixed assets purchased from Start up Grant	42,548	-	(963)	-	41,585
Non-Government Capital Grants	70,500	-	(2,156)	24,508	92,852
Salix Loan	(83,297)	-	-	16,660	(66,637)
	<u>28,658,660</u>	<u>7,710,329</u>	<u>(1,636,737)</u>	<u>784,847</u>	<u>35,517,099</u>
Total restricted funds	<u>19,304,030</u>	<u>21,704,368</u>	<u>(16,056,607)</u>	<u>(33,149)</u>	<u>24,918,642</u>
<b>Unrestricted funds</b>					
General Funds	1,011,776	893,227	(268,012)	-	1,636,991
Designated for capital	293,727	-	(6,250)	-	287,477
Total unrestricted funds	<u>1,305,503</u>	<u>893,227</u>	<u>(274,262)</u>	<u>-</u>	<u>1,924,468</u>
Total funds	<u>20,609,533</u>	<u>22,597,595</u>	<u>(16,330,869)</u>	<u>(33,149)</u>	<u>26,843,110</u>

**THE CASTLE PARTNERSHIP TRUST**

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

**(CONTINUED)**

---

**16 Funds (continued)**

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

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.

Other DfE/ESFA grants – Grants from the Education and Skills Funding Agency to support PE and sport costs, pupils from low income families, Teacher Pension and Pay grant and universal infant free school meals.

Early years funding – Funding from Somerset County Council for children that have a specific requirement for additional support and for children attending nursery.

Individually assigned resources – A grant from the local authority to support costs associated with supporting pupils with special educational needs.

Other local authority grants – Funding from Somerset County

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

Inherited Fixed Assets – Represents the building and equipment donated to the school from the County Council on conversion to an academy.

DfE/ESFA capital grants – This is funding from the DfE/ESFA to support capital projects undertaken by the academy.

Capital expenditure from GAG – This represents the amount of the General Annual Grant allocated towards capital expenditure during the period and its associated depreciation.

Capital expenditure from other restricted funds – This represents restricted funds allocated towards capital and the associated depreciation.

Unrestricted designated funds - These are funds that have been set aside to cover the costs of ongoing projects.

**THE CASTLE PARTNERSHIP TRUST**

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

**(CONTINUED)**

**16 Funds (continued)**

**Analysis of academies by fund balance**

Fund balances at 31 August 2022 were allocated as follows:

	2022 £	(As restated) 2021 £
The Castle School	2,170,302	1,982,826
Court Fields School	886,718	674,512
Wellesley Park Primary School	350,542	332,883
Isambard Kingdom Brunel Primary School	100,057	60,313
Central services	13,734	-
Total before fixed assets and pension reserve	3,521,353	3,050,534
Unrestricted fixed asset funds	281,227	287,477
Restricted fixed asset funds	35,156,338	35,517,361
Pension Reserve	(2,856,000)	(12,012,000)
Total	<u>36,102,918</u>	<u>26,843,372</u>
<b>Total cost analysis by academy</b>		

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 £
The Castle School	5,011,808	1,968,027	259,580	1,425,952	8,665,367
Court Fields School	2,982,617	848,801	224,499	883,390	4,939,307
Wellesley Park Primary School	1,008,399	268,240	34,696	338,737	1,650,072
Isambard Kingdom Brunel Primary School	301,143	252,592	29,435	156,241	739,411
Central services	153,806	221,532	-	126,647	501,985
Multi-Academy Trust	<u>9,457,773</u>	<u>3,559,192</u>	<u>548,210</u>	<u>2,930,967</u>	<u>16,496,142</u>

**THE CASTLE PARTNERSHIP 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:

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs (excluding depreciation) £	Total 2021 £
The Castle School	4,243,017	1,980,179	375,179	953,144	7,551,519
Court Fields School	2,562,302	1,288,365	212,019	795,240	4,857,926
Wellesley Park Primary School	1,035,577	384,658	39,921	408,914	1,869,070
Isambard Kingdom Brunel Primary School	153,529	146,542	17,466	91,830	409,367
Multi-Academy Trust	<u>7,994,425</u>	<u>3,799,744</u>	<u>644,585</u>	<u>2,249,128</u>	<u>14,687,882</u>

**17 Analysis of net assets between funds**

Fund balances at 31 August 2022 are represented by:

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Tangible fixed assets	281,227	-	34,947,295	35,228,522
Current assets	1,636,993	3,020,588	265,378	4,922,959
Current liabilities	-	(1,136,228)	(17,953)	(1,154,181)
Creditors over 1 year	-	-	(38,382)	(38,382)
Pension scheme liability	-	(2,856,000)	-	(2,856,000)
Total net assets	<u>1,918,220</u>	<u>(971,640)</u>	<u>35,156,338</u>	<u>36,102,918</u>

**THE CASTLE PARTNERSHIP TRUST**

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

**(CONTINUED)**

**17 Analysis of net assets between funds (continued)**

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

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	(As restated) Total Funds £
Tangible fixed assets	290,877	-	35,110,522	35,401,399
Current assets	2,541,046	1,413,543	470,076	4,424,665
Current liabilities	(907,455)	-	(13,260)	(920,715)
Creditors over 1 year	-	-	(49,977)	(49,977)
Pension scheme liability	-	(12,012,000)	-	(12,012,000)
Total net assets	<u>1,924,468</u>	<u>(10,598,457)</u>	<u>35,517,361</u>	<u>26,843,372</u>

**18 Long-term commitments, including operating leases**

***Operating leases***

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

	2022 £	2021 £
Amounts due within one year	33,532	19,905
Amounts due between one and five years	<u>35,857</u>	<u>18,620</u>
	<u>69,389</u>	<u>38,525</u>

**THE CASTLE PARTNERSHIP TRUST**

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

**(CONTINUED)**

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

	<b>2022</b>	<b>(As restated) 2021</b>
	<b>£</b>	<b>£</b>
Net (expenditure)/income	(1,119,454)	6,947,839
Depreciation	1,028,413	1,010,774
Capital grants from DfE and other capital income	(252,327)	(545,411)
Interest receivable	-	(2,652)
Defined benefit pension scheme cost less contributions payable	1,025,000	698,000
Defined benefit pension scheme finance cost	198,000	162,000
Decrease in stocks	-	4,755
Decrease in debtors	342,341	920,182
Increase/(decrease) in creditors	271,848	(7,622)
Net cash provided by Operating Activities	<u>1,493,821</u>	<u>9,187,865</u>

**20 Cash flows from financing activities**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Repayments of borrowing	<u>(11,594)</u>	<u>(16,660)</u>
Net cash used in financing activities	<u>(11,594)</u>	<u>(16,660)</u>

**21 Cash flows from investing activities**

	<b>2022</b>	<b>(As restated) 2021</b>
	<b>£</b>	<b>£</b>
Dividends, interest and rents from investments	-	2,652
Purchase of tangible fixed assets	(855,537)	(7,995,501)
Capital funding received from sponsors and others	252,327	545,411
Net cash used in investing activities	<u>(603,210)</u>	<u>(7,447,438)</u>

**THE CASTLE PARTNERSHIP TRUST****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022****(CONTINUED)****22 Analysis of cash and cash equivalents**

	2022 £	2021 £
Cash in hand and at bank	4,353,232	3,512,597
Total cash and cash equivalents	<u>4,353,232</u>	<u>3,512,597</u>

**23 Analysis of changes in net debt**

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash	3,512,597	840,635	4,353,232
Loans falling due within one year	(13,260)	(4,633)	(17,893)
Loans falling due after more than one year	<u>(49,977)</u>	<u>11,595</u>	<u>(38,382)</u>
	<u>(63,237)</u>	<u>6,962</u>	<u>(56,275)</u>
Total	<u>3,449,360</u>	<u>847,597</u>	<u>4,296,957</u>

**24 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 they cease to be a member.

**25 Pension and similar obligations**

The Multi-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 Somerset 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.

**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.



## **THE CASTLE PARTNERSHIP TRUST**

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

#### **(CONTINUED)**

---

#### **25 Pension and similar obligations (continued)**

##### **Valuation of the Teachers' Pension Scheme**

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to 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 £1,307,520 (2021: £1,278,315). A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Multi-Academy Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Multi-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 £828,000 (2021 - £749,000), of which employer's contributions totalled £662,000 (2021 - £599,000) and employees' contributions totalled £166,000 (2021 - £150,000). 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 Multi-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.

**THE CASTLE PARTNERSHIP TRUST**

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

**(CONTINUED)**

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

**Principal actuarial assumptions**

	<b>2022</b>	<b>2021</b>
	<b>%</b>	<b>%</b>
Rate of increase in salaries	4.50	4.40
Rate of increase for pensions in payment/inflation	3.00	2.90
Discount rate for scheme liabilities	<u>4.30</u>	<u>1.70</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	21.40	23.10
Females retiring today	23.20	24.60

**Retiring in 20 years**

Males retiring in 20 years	22.30	24.40
Females retiring in 20 years	<u>24.60</u>	<u>26.10</u>

**Sensitivity analysis**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Discount rate +0.1%	-278,000	-493,000
Discount rate -0.1%	284,000	505,000
Mortality assumption – 1 year increase	370,000	858,000
Mortality assumption – 1 year decrease	<u>-359,000</u>	<u>-824,000</u>

The Multi-Academy Trust's share of the assets in the scheme were:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Equities	6,785,000	6,483,000
Gilts	369,000	505,000
Corporate bonds	828,000	928,000
Property	839,000	639,000
Cash and other liquid assets	<u>410,000</u>	<u>356,000</u>
Total market value of assets	<u>9,231,000</u>	<u>8,911,000</u>

The actual return on scheme assets was (£341,000) (2021 - £1,488,000).

**THE CASTLE PARTNERSHIP TRUST**

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

**(CONTINUED)**

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

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

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Current service cost	(1,687,000)	(1,293,000)
Interest income	153,000	114,000
Interest cost	(345,000)	(276,000)
Admin expenses	(6,000)	(4,000)
Total amount recognized in the SOFA	<u>(1,885,000)</u>	<u>(1,459,000)</u>

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

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
At start of period	20,923,000	17,293,000
Current service cost	1,687,000	1,293,000
Interest cost	345,000	276,000
Employee contributions	166,000	150,000
Actuarial (gain)/loss	(10,873,000)	2,088,000
Benefits paid	(161,000)	(177,000)
At 31 August	<u>12,087,000</u>	<u>20,923,000</u>

**Changes in the fair value of Multi-Academy Trust's share of scheme assets:**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
At start of period	8,911,000	6,855,000
Interest income	153,000	114,000
Actuarial gain/(loss)	(494,000)	1,374,000
Employer contributions	662,000	599,000
Employee contributions	166,000	150,000
Benefits paid	(161,000)	(177,000)
Effect of non-routine settlements	(6,000)	(4,000)
At 31 August	<u>9,231,000</u>	<u>8,911,000</u>

**26 Related party transactions**

Owing to the nature of the Multi-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.