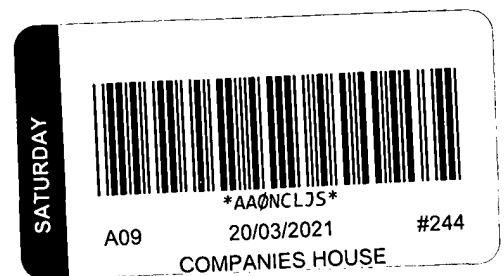


Company Registration Number: 09101036 (England & Wales)

**CASTLEMAN ACADEMY TRUST**  
(A Company Limited by Guarantee)

**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**



**CASTLEMAN ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

<b>Members</b>	Stephen Churchill Stuart Magnus Helen Duncan-Jordan Mark Tointon (resigned 31 December 2019) Mike Brooke (appointed 1 January 2020) Mark Grigsby (appointed 1 September 2019)
<b>Trustees</b>	Helen Duncan-Jordan Anne Hanby Rhonda Moore, CEO <sup>1</sup> Joseph Heppenstall Margaret Sheldon (appointed 17 October 2019) Christopher Shaw <sup>1</sup> Mark Grigsby, Chair of Trustees <sup>1</sup> Nicholas Stebbing <sup>1</sup> Adam Darley (appointed 11 December 2019) <sup>1</sup>  <sup>1</sup> members of the Finance and Audit Committee
<b>Company registered number</b>	09101036
<b>Company name</b>	Castleman Academy Trust
<b>Principal and registered office</b>	Broadstone First School Tudor Road Broadstone Dorset BH18 8AA
<b>Company secretary</b>	Gillian McDonald
<b>Accounting officer</b>	Rhonda Moore
<b>Senior management team</b>	Rhonda Moore, CEO Dawn Wilks, Executive Headteacher Rebecca Wood, Head of School (BFS) Jade Palmer, Head of School (BMS) Stuart Bonham, Estates Manager Mat Hoddy, Strategic Finance Director
<b>Independent auditors</b>	James Cowper Kreston Chartered Accountants and Statutory Auditor 9th Floor The White Building 1-4 Cumberland Place Southampton Hampshire SO15 2NP

**CASTLEMAN ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**Bankers**

Lloyds Bank plc  
4 Castle Street  
Christchurch  
Dorset  
BH23 1DU

**CASTLEMAN ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements and Auditors' report of Castleman Academy Trust (the academy) for the year ended 31 August 2020. The Trustees confirm that the Annual report and financial statements of the academy comply with the current statutory requirements, the requirements of the academy's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in October 2019. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

**1. Structure, governance and management**

**A. CONSTITUTION**

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

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

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

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

**B. MEMBERS' LIABILITY**

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

**C. METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF TRUSTEES**

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

**D. POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES**

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

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

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

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

**CASTLEMAN ACADEMY TRUST**  
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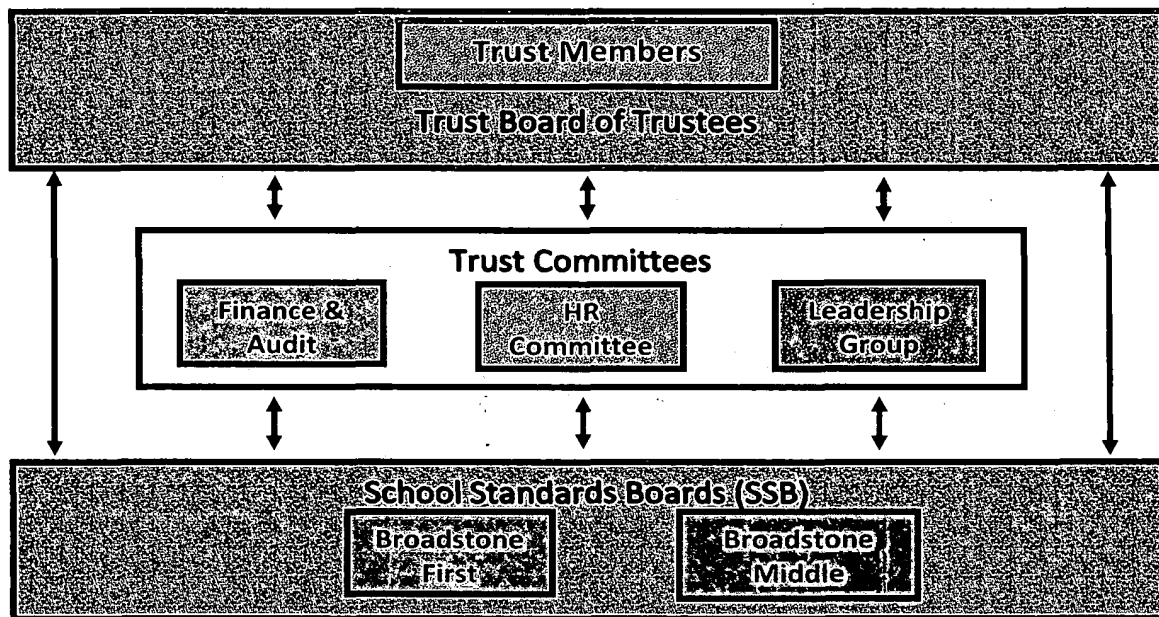
**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**E. ORGANISATIONAL STRUCTURE**



## **CASTLEMAN ACADEMY TRUST**

### **GOVERNANCE STRUCTURE**



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

#### **The Board of Trustees**

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

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

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

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

- Providing guidance and direction for the annual budget process.
- Agreeing a mechanism for accounting for central academy services and setting the annual contribution from each school.

**CASTLEMAN ACADEMY TRUST**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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

**Chief Executive Officer – Accounting Officer**

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

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

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

**The Strategic Finance Director**

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

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

**Other Staff**

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

**CASTLEMAN ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**F. PAY POLICY FOR KEY MANAGEMENT PERSONNEL**

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

**G. TRUSTEES' INDEMNITIES**

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

**ARRANGEMENTS FOR SETTING PAY AND REMUNERATION OF KEY MANAGEMENT PERSONNEL**

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

The Chief Executive Officer and Executive Head Teacher carry out the Performance Reviews of the Heads of School with the Chair of Governors for quality assurance and moderation purposes. These are then shared with the Board for ratification.

The Executive Head Teacher's Performance Review is carried out by the Chief Executive Officer and the Chair of the Trust, in consultation with the Chairs of Governors of the schools they are responsible for.

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

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

**2. Objectives and Activities**

The Castleman Academy Trust commenced operating on 1st September 2014 to sponsor Broadstone Middle School utilising the successful team from Broadstone First School.

**A. OBJECTS AND AIMS**

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

- (a) to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing

Academies which shall offer a broad and balanced curriculum and which shall include:

- i. Academies other than those designated Church of England, whether with or without a designated religious character; and
- ii. Church of England Academies designated as such which shall be conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship, and in having regard to any advice and following any reasonable directives issued by the Diocesan Board of Education, but in relation to each of the Academies to recognise and support their individual ethos, whether or not designated Church of England; and



**CASTLEMAN ACADEMY TRUST**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

- (b) as ancillary to (a), and with the written agreement of the Trustees in respect of Academies falling under (a)(ii), to promote for the benefit of the inhabitants of the areas served by the Academies the provision of services for other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

**B. OBJECTIVES, STRATEGIES AND ACTIVITIES**

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

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

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

In order to deliver against our three year corporate objectives, we will focus on the following for the coming year.

**1. Enhancing the governance of the Trust Board**

Success will mean that the Board will have an established framework to ensure optimal and measurable progress towards the aims and objectives of the Trust. They will fully understand the management of risk to the Trust and have in place mitigating actions to tolerate and control such risks. They will be continually refreshed with the right skill set to drive forward the organisation.

**2. Improving the School Standards Boards (SSBs) (Local Governing Bodies) to ensure better performing schools**

We aim to ensure SSBs have the right balance of skills and experience along with clear plans and processes in place to effectively carry out their role. They will take greater ownership of accountability in standards, and have a greater understanding of student achievement in their schools. They will challenge and support Headteachers and hold them to account for standards achieved. The SSB will provide robust scrutiny and challenge on behalf of the Trustees.

**3. School improvement and effectiveness**

As the most important element of our work, we want all schools in the Trust to be graded as Good or Outstanding within two years, with all teaching being good or better. This was achieved in December 2019. We are aiming to ensure Progress and attainment in our schools will not only exceed floor targets but will be comparable with the very best for pupil progress and outcomes. We want our schools to successfully and accurately self-evaluate, promoting a culture of continued improvement and high aspiration. High quality professional development will lead to our Trust attracting and retaining the very best teachers and leaders.

**4. Financial management, business effectiveness and efficiency**

The Trust has developed a robust administrative, site and financial structure enable it to use resources more effectively, implement systems to support efficiencies and scales of economy so that greater resource is directed to classrooms and learning. Training and development ensures succession planning is in place for all key roles. MIS will be robust and fit for purpose. Information will be managed effectively and will support all areas of Trust work. We want the Trust presence to develop and be widely recognised as we grow by at least one school this year. Prospective schools will have confidence in the Trust and what it has to offer, leading to greater interest in joining the Trust.

**CASTLEMAN ACADEMY TRUST**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

All commissioned services whether from third parties or the Trust staff have added value over time to the learnings and to the business ensuring they are effective, efficient and avoid duplication and unnecessary bureaucracy.

**5. Development of the Trust**

Following its successful establishment, the Trust has continued to explore the development of relationships with other local schools in the area to further optimise and improve upon academic and financial performance. The Trust is now working to formalise some relationships to provide an optimal model to move forward with and secure to the long-term future of the Trust. This current expansion work should be completed by February 2021.

**C. ACTIVITIES FOR ACHIEVING OBJECTIVES**

- High quality CPD programme for all staff, including leadership development.
- Curriculum provision that is contextual in approach, ensures total coverage of the National Curriculum
- Regular monitoring of school performance, including inspections, reviews, observations, audits
- Rigorous Performance Management procedures for all staff in the Trust

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

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

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

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

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

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

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

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

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

**D. PUBLIC BENEFIT**

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

**E. TRADE UNION FACILITY TIME**

There were no employees who were relevant union officials.

**CASTLEMAN ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**3. Strategic report**

**A. ACHIEVEMENT AND PERFORMANCE**

Schools Summary:

**Broadstone First**

**Commentary:**

The COVID Pandemic meant that end of year and end of key stage assessments were not completed. Therefore, we are unable to provide attainment data for the 2019/2020 academic year.

The school was fully involved in COVID response work which saw learners move to online provision. Most children worked from home except for vulnerable learners and the children of key workers.

In June, the school welcomed Reception and Year 1 learners back to school, alongside the vulnerable and key worker children. Those staff not in school, worked from home to support those children not in school.

In the summer break, staff prepared and developed the "Reconnect & Recovery" curriculum in readiness for the new school year and enable staff to identify gaps in learning.

**Broadstone Middle**

**Commentary:**

The COVID Pandemic meant that end of year and end of key stage assessments were not completed. Therefore, we are unable to provide attainment data for the 2019/2020 academic year.

The school was fully involved in COVID response work which saw learners move to online provision. Most children worked from home except for vulnerable learners and the children of key workers.

In June, the school welcomed Year 6 learners back to school, alongside the vulnerable and key worker children. Those staff not in school, worked from home to support those children not in school.

In the summer break, staff prepared and developed the "Reconnect & Recovery" curriculum in readiness for the new school year and enable staff to identify gaps in learning.

**B. GOING CONCERN**

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

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

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

It is clear that funding provided to schools is reducing and this is leading to greater pressure on the workforce and reserves. The Trust has devised balanced budgets for the coming year and is working on ensuring the same for subsequent years. However, greater competition for pupils and slow growth are exacerbating effective financial planning.

We are working very hard to attract schools to the Trust to further secure its future. This has been a focus of our work this year and we hope to be successful in this area by February 2021.

**CASTLEMAN ACADEMY TRUST**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**C. REVIEW OF ACTIVITIES**

- COVID 19 Pandemic response including staff training and site review and refurbishment to ensure greatest level of COVID security possible.
- Development of Trust structure, financial plans and governance in preparation for an expanded Trust
- Marketing activities and developing school processes to ensure continued high levels of subscription to schools.
- Rolling programme of site maintenance in place to ensure site is managed effectively, is health and safety compliant and fit for purpose
- Successful bidding for CIF money to carry out major site works
- ICT strategic responsibility in place and developed over the year to ensure value for money and long term viability of IT resource and delivery
- All positions successfully recruited to for 2019/2020
- Governor training and development
- Staff training to ensure staff understand excellent progress and how they can impact on this.
- Growth of the Trust to support financial effectiveness and school improvement.
- Maintained links and reviewed structures with other Multi Academy Trusts both locally and nationally to ensure that optimum structures and opportunities are maintained.
- Continual exploration of developing relationships with other schools in the local area to further optimise and improve academic and financial performance.

**Impact of COVID19 for the year 2019/2020**

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

Whilst the costs of related COVID expenses has been covered by the Government this year, we are mindful that this support may not continue. As demands on schools rise to aid the pandemic response, we are monitoring spends to enable us to better plan for the future. Trustees have considered this when budgeting and planning for the future and at present are concerned about possible impact next year. The budget for next year reflects this to the best of our ability at present. To date, there has been no material impact on reserves.

Financial operations continued via online methods. This was an easy change as much of the Trust's financial working was already supported via online means. The CEO has carried out the various checks required when social distancing and government guidance allowed.

Social distancing measures put in place meant that finance operations could continue on site or from home. Regular meetings with all concerned took place on line and virtual methods of authorisation and information sharing were developed to ensure continuity. Due to lock down, the planned Responsible Officer visits and School Resource Management Adviser visits could not take place. These have been rescheduled for the Autumn Term 2020.

End of year audit arrangements were put in place to be completed using online support.

Learning was interrupted in March with the closure of schools. The Trust remained open to all vulnerable and key worker children throughout, including school and bank holidays, hosting children from other schools which were closed. During this time, staff continued to carry out school functions, mainly from home but a rotating skeleton staff was also on site. Staff were redeployed to different areas to support those learning in school and at home. No volunteers were used to aid virus control. As instructed by the Government, Years R, 1 and 6 returned in May, with support being provided to those learning at home. Monitoring of learning and progress has proved difficult and this will be a focus for SLT in the 2020/2021 academic year.

Governance operations quickly moved to online provision. No meetings were cancelled due to the pandemic as all were held virtually. Communications were enhanced with the provision of a number of online platforms. All relevant monitoring, evaluation and scrutiny with regard to governance continued as per the governance planner.

**CASTLEMAN ACADEMY TRUST**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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

**D. INVESTMENT POLICY AND PERFORMANCE**

Investments will be made only in accordance with written procedures approved by the Board of Trustees. At present, all funds held by the Academy as at the 31 August 2020 were in an interest bearing account with Lloyds Banking Group.

**4. Financial Review**

**A. RESERVES POLICY**

We have developed a Reserves Policy to ensure the stability of the Trust's organisational operations are protected and the Trust is able to adjust quickly to financial circumstances. Reserves should be used to fund future capital expenditure or be a contingency fund. They also fund development plans and strategic long term aims and developments.

In using and keeping reserves, the Trust Board should

**1. Identify the appropriate use of Reserve funds**

The Trustees, with Senior Leadership, will identify the need for access to reserve funds and confirm that the use is consistent with the purpose the reserve as described in the policy. This will require analysis of the reason for any shortfall, the availability of any other sources of funds before using reserves and the evaluation of the time period that the funds will be required and replenished.

**2. Authorise the use of reserves**

Authorisation to use reserves of any kind will be made by the Trustees and the Finance Committee.

**3. Report and Monitor the use of Reserves**

The Trustees are responsible for ensuring that the funds are maintained and are used only as described in this policy.

**Restricted Reserves**

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

Academies can carry forward GAG restricted funds to be used for future years mainly for capital and a small percentage for operational purposes.

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

All reserves are reported and reviewed regularly at management meetings and expenditure from reserves approved by Trustees.

**Unrestricted Funds**

These are made up of the Trust's activities for generating funds, investment income and other donations which are expendable at the discretion of the Trustees in furtherance to achieve the objectives of the Trust and its schools.

**CASTLEMAN ACADEMY TRUST**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

These funds will be reviewed regularly by the Trustees and Finance Committee and are obtained through one-off donations and are generally built up over time from fund generating activities and investments.

**Designated Funds**

These are unrestricted funds that have been allocated by the Trustees for a particular purpose. These funds are reviewed regularly and approved by the Trustees and the Finance Committee: they are obtained by designated funds from unrestricted funds.

**B. PRINCIPAL RISKS AND UNCERTAINTIES**

Potential of Academy Schools to sustain favourable Ofsted inspections. The Board acknowledges that our future success is inextricably linked to the performance of each of our academy schools and the continuous improvement of our reputation and achievements. Consequently, the Board acknowledges this risk.

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

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

**C. FINANCIAL AND RISK MANAGEMENT OBJECTIVES**

The Board of Trustees approved an overall Academy budget for the period 1st September 2019 to 31st August 2020. During this period, our total General Annual Grant was 3,002,817.

For this period:

- The Academy predicted a total income of £3,562,804 and we received £3,561,760 excluding capital grants and income from the Teaching School.
- The Academy predicted staffing costs at £3,112,932 and we actually spent £3,248,661.
- The Academy predicted total revenue expenditure at £3,719,473 and we actually spent £3,827,726 (excludes depreciation, the pension actuarial valuation and the Teaching School)

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

**D. PRINCIPAL FUNDING**

The Trusts funding is from the DfE.

We are working closely with the DfE to secure MAT growth.

**Fundraising**

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

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

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

**CASTLEMAN ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**5 Plans for Future Periods**

As per our Business Plan, we remain focussed on

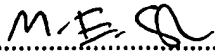
1. Continuous School Improvement and Effectiveness. We aim to ensure that schools within the Trust are judged, at least, as "Good" by OfSTED and strive to work towards an "Outstanding" rating where ever possible.
2. Securing growth of the Trust by developing formal partnerships with schools in our local area, both mainstream and those schools supporting Special Educational Needs.
3. Continuing to manage finances, on a day to day basis and strategically to ensure future financial security.

**DISCLOSURE OF INFORMATION TO AUDITORS**

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

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

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

  
.....  
**Mark Grigsby**  
Chair of Trustees  
Date: 28/1/21

**CASTLEMAN ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**GOVERNANCE STATEMENT**

**Scope of responsibility**

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

As Trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Castleman Academy Trust and the Secretary of State for Education. 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 9 times during the year.

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

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

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

Trustee	Meetings attended	Out of a possible
Helen Duncan-Jordan	7	9
Anne Hanby	8	9
Rhonda Moore, CEO	9	9
Joseph Heppenstall	8	9
Margaret Sheldon	9	9
Christopher Shaw	9	9
Mark Grigsby, Chair of Trustees	9	9
Nicholas Stebbing	9	9
Adam Darley	5	8

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

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Rhonda Moore	8	8
Nicholas Stebbing	7	8
Mark Grigsby	8	8
Christopher Shaw	8	8
Adam Darley	4	7



**CASTLEMAN ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**GOVERNANCE STATEMENT (CONTINUED)**

**Review of value for money**

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

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

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

**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 academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control, including termly Responsible Officer visits, has been in place in Castleman Academy Trust for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

Unfortunately, due to the COVID pandemic, a planned RO visit was not able to take place. We also commissioned a School Resource Management Advisor from the DfE to visit and provide feedback. This visit was also postponed due to the pandemic. These will be rescheduled in line with government social distancing advice.

**Capacity to handle risk**

The Board of Trustees has reviewed the key risks to which the academy 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 academy's significant risks, that has been in place for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is reviewed regularly by the Board of Trustees at every meeting.

**The risk and control framework**

The academy'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

**CASTLEMAN ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**GOVERNANCE STATEMENT (CONTINUED)**

**The risk and control framework (continued)**

- Identification and management of risks
- delegation of authority and segregation of duties;

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

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

**Review of effectiveness**

As accounting officer, the Chief Executive Officer has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the academy 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 committee 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 and signed on their behalf by:

*M.E. Co*  
.....  
**Mark Grigsby**  
Chair of Trustees  
Date: 28/1/21

*RB Moore*  
.....  
**Rhonda Moore**  
Accounting Officer  
Date: 28 January 2021

**CASTLEMAN ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

As accounting officer of Castleman Academy Trust I have considered my responsibility to notify the academy board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy, under the funding agreement in place between the academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

I confirm that I and the academy board of Trustees are able to identify any material irregular or improper use of all funds by the academy, or material non-compliance with the terms and conditions of funding under the academy's funding agreement and the Academies Financial Handbook 2019.

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.

*RB Moore*

.....  
**Rhonda Moore**  
Accounting Officer

Date: *28 January 2021*

**CASTLEMAN ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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 then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 of Trustees and signed on its behalf by:



.....  
**Mark Grigsby**  
Chair of Trustees

Date: 28/1/21

**CASTLEMAN ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
CASTLEMAN ACADEMY TRUST**

**Opinion**

We have audited the financial statements of Castleman Academy Trust (the 'academy') for the year ended 31 August 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2020 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the academy in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the academy's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**CASTLEMAN ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

**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 Auditors' Report thereon. Other information includes the Reference and Administrative Details, the Trustees' Report including the Strategic Report, and the Governance Statement. 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.

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 Trustees' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic 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 academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

**CASTLEMAN ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

**Responsibilities of trustees**

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

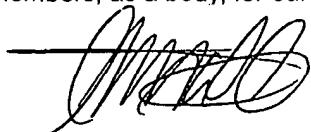
**Auditors' responsibilities for the audit of the financial statements**

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 Auditors' 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.

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 Auditors' Report.

**Use of our report**

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



**Louise Hallsworth FCA (Senior Statutory Auditor)**  
for and on behalf of  
**James Cowper Kreston**  
Chartered Accountants and Statutory Auditor  
9th Floor

The White Building  
1-4 Cumberland Place  
Southampton  
Hampshire  
SO15 2NP

Date: 28 January 2021

**CASTLEMAN ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO  
CASTLEMAN ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 04 October 2019 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Castleman Academy Trust during the year 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**Respective responsibilities of Castleman Academy Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Castleman Academy Trust's funding agreement with the Secretary of State for Education dated 24 June 2014 and the Academies Financial Handbook, extant from 1 September 2019, 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 2019 to 2020. 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 1 September 2019 to 31 August 2020 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 Academies Accounts Direction 2019 to 2020 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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



**CASTLEMAN ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO  
CASTLEMAN ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

**Conclusion**

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



**James Cowper Kreston**  
Chartered Accountants and Statutory Auditor

9th Floor  
The White Building  
1-4 Cumberland Place  
Southampton  
Hampshire  
SO15 2NP

Date: 28 January 2021

**CASTLEMAN ACADEMY TRUST**  
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 AUGUST 2020**

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	As restated Total funds 2019 £
<b>Income from:</b>						
Donations and capital grants	3	18,937	3,835	597,546	620,318	257,608
Charitable activities	4	91,417	3,434,419	-	3,525,836	3,267,153
Teaching schools	32	61,463	43,000	-	104,463	92,007
Other trading activities	5	12,738	-	-	12,738	26,128
Investments	6	414	-	-	414	451
<b>Total income</b>		<b>184,969</b>	<b>3,481,254</b>	<b>597,546</b>	<b>4,263,769</b>	<b>3,643,347</b>
<b>Expenditure on:</b>						
Charitable activities	7,8	113,302	3,714,484	320,933	4,148,719	3,855,181
Teaching schools	32	18,002	19,800	-	37,802	48,929
<b>Total expenditure</b>		<b>131,304</b>	<b>3,734,284</b>	<b>320,933</b>	<b>4,186,521</b>	<b>3,904,110</b>
<b>Net income/ (expenditure)</b>		<b>53,665</b>	<b>(253,030)</b>	<b>276,613</b>	<b>77,248</b>	<b>(260,763)</b>
Transfers between funds	19	23,200	(23,200)	-	-	-
<b>Net movement in funds before other recognised gains/(losses)</b>		<b>76,865</b>	<b>(276,230)</b>	<b>276,613</b>	<b>77,248</b>	<b>(260,763)</b>
<b>Other recognised gains/(losses):</b>						
Actuarial losses on defined benefit pension schemes	27	-	(445,000)	-	(445,000)	(275,000)
<b>Net movement in funds</b>		<b>76,865</b>	<b>(721,230)</b>	<b>276,613</b>	<b>(367,752)</b>	<b>(535,763)</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward (as restated)		574,481	(2,258,908)	16,480,217	14,795,790	15,331,553
Net movement in funds		76,865	(721,230)	276,613	(367,752)	(535,763)
<b>Total funds carried forward</b>		<b>651,346</b>	<b>(2,980,138)</b>	<b>16,756,830</b>	<b>14,428,038</b>	<b>14,795,790</b>

The notes on pages 28 to 53 form part of these financial statements.

**CASTLEMAN ACADEMY TRUST**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 09101036**

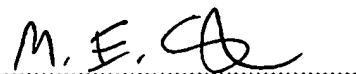
**BALANCE SHEET**  
**AS AT 31 AUGUST 2020**

	Note	2020 £	As restated 2019 £
<b>Fixed assets</b>			
Tangible assets	14	16,730,171	16,480,217
		<u>16,730,171</u>	<u>16,480,217</u>
<b>Current assets</b>			
Debtors	15	722,515	207,083
Cash at bank and in hand	23	780,107	1,030,739
		<u>1,502,622</u>	<u>1,237,822</u>
Creditors: amounts falling due within one year	16	(698,375)	(486,869)
<b>Net current assets</b>		<u>804,247</u>	<u>750,953</u>
<b>Total assets less current liabilities</b>		<u>17,534,418</u>	<u>17,231,170</u>
Creditors: amounts falling due after more than one year	17	(29,380)	(29,380)
<b>Net assets excluding pension liability</b>		<u>17,505,038</u>	<u>17,201,790</u>
Defined benefit pension scheme liability	27	(3,077,000)	(2,406,000)
<b>Total net assets</b>		<u><u>14,428,038</u></u>	<u><u>14,795,790</u></u>
<b>Funds of the academy</b>			
<b>Restricted funds:</b>			
Fixed asset funds	19	16,756,830	16,480,217
Restricted income funds	19	96,862	147,092
Pension reserve	19	(3,077,000)	(2,406,000)
<b>Total restricted funds</b>	19	<u>13,776,692</u>	<u>14,221,309</u>
<b>Unrestricted income funds</b>	19	<u>651,346</u>	<u>574,481</u>
<b>Total funds</b>		<u><u>14,428,038</u></u>	<u><u>14,795,790</u></u>

**CASTLEMAN ACADEMY TRUST**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 09101036**

**BALANCE SHEET (CONTINUED)**  
**AS AT 31 AUGUST 2020**

The financial statements on pages 24 to 53 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



**Mark Grigsby**  
Chair of Trustees

Date: 28/1/21

The notes on pages 28 to 53 form part of these financial statements.

**CASTLEMAN ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

	Note	2020 £	As restated 2019 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	21	319,841	512,941
<b>Cash flows from investing activities</b>	22	(570,473)	(265,560)
		<hr/>	<hr/>
<b>Change in cash and cash equivalents in the year</b>		(250,632)	247,381
Cash and cash equivalents at the beginning of the year		1,030,739	783,358
		<hr/>	<hr/>
<b>Cash and cash equivalents at the end of the year</b>	23, 24	<u><u>780,107</u></u>	<u><u>1,030,739</u></u>

The notes on pages 28 to 53 form part of these financial statements

**CASTLEMAN ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**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.

**1.1 Basis of preparation of financial statements**

The financial statements of the academy, which is a public benefit entity under FRS 102, have been prepared under the historic 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 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

**1.2 Going concern**

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

**1.3 Income**

All incoming resources are recognised when the academy 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 year is deducted from income and recognised as a liability.

Capital grants are recognised in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the Balance Sheet in the restricted fixed asset fund. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

• **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 year it is receivable and to the extent the academy has provided the goods or services.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**1. Accounting policies (continued)**

**1.4 Expenditure**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

**1.5 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the academy; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

**1.6 Tangible fixed assets**

Assets costing £1,000 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 basis over its expected useful life, as follows:

Depreciation is provided on the following bases:

Long-term leasehold property	- Land and buildings - over the term of the lease (125 years) Integral features - 10 to 20 years
Furniture and equipment	- 10% straight line
Motor vehicles	- 25% straight line
Computer equipment	- 33.33% straight line

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.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**1. Accounting policies (continued)**

**1.7 Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**1.8 Financial instruments**

The academy only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy and their measurement bases are as follows:

*Financial assets* - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

*Financial liabilities* - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 16 and 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

**1.9 Operating leases**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

**1.10 Pensions**

Retirement benefits to employees of the academy 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 so as to spread the cost of pensions over employees' working lives with the academy 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 on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the academy 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 operating surplus 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.



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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**1. Accounting policies (continued)**

**1.11 Fund accounting**

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the 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.

**2. 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.

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, 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 2020. 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.

Critical areas of judgement:

**Tangible fixed assets**

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issues such as the remaining life of the asset and projected disposal values.

**Operating lease commitments**

The academy trust has entered into commercial lease contracts and as a lessee it obtains use of property, plant and equipment. The classification of such leases as operating or finance lease requires the academy trust to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of the assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**3. Income from donations and capital grants**

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
Donations	18,937	3,835	-	22,772	23,471
Capital Grants	-	-	597,546	597,546	234,137
<b>Total 2020</b>	<b>18,937</b>	<b>3,835</b>	<b>597,546</b>	<b>620,318</b>	<b>257,608</b>
<b>Total 2019</b>	<b>23,047</b>	<b>424</b>	<b>234,137</b>	<b>257,608</b>	

**4. Funding for the academy's educational operations**

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	As restated Total funds 2019 £
<b>DfE/ESFA grants</b>				
General Annual Grant (GAG)	-	3,002,817	3,002,817	2,811,210
Other DfE/ESFA Grants	-	368,922	368,922	265,797
Local Authority Grants	-	39,736	39,736	53,436
Coronavirus exceptional support	-	22,944	22,944	-
School trips	48,733	-	48,733	71,433
Music income	13,148	-	13,148	17,921
Other income	5,254	-	5,254	11,651
Kids club	16,477	-	16,477	21,791
Production/Performance Income	1,074	-	1,074	4,576
Teacher training scheme	2,100	-	2,100	2,500
Catering income	4,631	-	4,631	6,838
<b>Total 2020</b>	<b>91,417</b>	<b>3,434,419</b>	<b>3,525,836</b>	<b>3,267,153</b>
<b>Total 2019 as restated</b>	<b>136,710</b>	<b>3,130,443</b>	<b>3,267,153</b>	

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**NOTES TO THE FINANCIAL STATEMENTS  
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**5. Income from other trading activities**

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Other income	1,783	1,783	9,459
Hire of facilities	10,955	10,955	16,669
<b>Total 2020</b>	<u>12,738</u>	<u>12,738</u>	<u>26,128</u>
Total 2019	<u>26,128</u>	<u>26,128</u>	

**6. Investment income**

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Bank interest receivable	414	414	451
Total 2019	<u>451</u>	<u>451</u>	

**7. Expenditure**

	Staff Costs 2020 £	Premises 2020 £	Other (as restated) 2020 £	Total 2020 £	As restated Total 2019 £
Activities:					
Direct costs	2,775,886	127,857	161,928	3,065,671	2,695,059
Support costs	472,775	185,521	424,752	1,083,048	1,160,122
Teaching school	-	-	37,802	37,802	48,929
<b>Total 2020</b>	<u>3,248,661</u>	<u>313,378</u>	<u>624,482</u>	<u>4,186,521</u>	<u>3,904,110</u>
Total 2019 as restated	<u>2,873,052</u>	<u>571,638</u>	<u>459,420</u>	<u>3,904,110</u>	

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**NOTES TO THE FINANCIAL STATEMENTS  
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**8. Analysis of expenditure by activities**

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £	Total funds 2019 £
Educational operations	3,065,671	1,083,048	4,148,719	3,855,181
	<u>3,065,671</u>	<u>1,083,048</u>	<u>4,148,719</u>	
Total 2019	<u>2,695,059</u>	<u>1,160,122</u>	<u>3,855,181</u>	

**Analysis of direct costs**

	Activities 2020 £	Total funds 2020 £	Total funds 2019 £
Pension finance costs	43,000	43,000	48,000
Staff costs	2,775,886	2,775,886	2,437,202
Depreciation	127,857	127,857	127,859
Educational supplies	38,393	38,393	39,577
Staff development	10,811	10,811	9,363
Educational consultancy	45,335	45,335	17,948
Technology costs	20,412	20,412	15,010
Other direct costs	3,977	3,977	100
	<u>3,065,671</u>	<u>3,065,671</u>	<u>2,695,059</u>
Total 2019	<u>2,695,059</u>	<u>2,695,059</u>	

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**NOTES TO THE FINANCIAL STATEMENTS  
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**8. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	Activities 2020 £	Total funds 2020 £	Total funds 2019 £
Staff costs	472,775	472,775	435,850
Depreciation	193,076	193,076	175,686
Technology costs	30,887	30,887	14,865
Other support costs	14,015	14,015	31,765
Recruitment and support	5,272	5,272	14,542
Maintenance of premises and equipment	892	892	100,022
Cleaning	79,286	79,286	65,688
Rent and rates	32,325	32,325	37,964
Energy costs	42,405	42,405	45,309
Insurance	15,280	15,280	19,110
Security and transport	15,333	15,333	13,165
Catering	56,077	56,077	59,253
School trips	55,724	55,724	75,257
Office overheads	36,284	36,284	40,875
Auditors remuneration	8,670	8,670	10,515
Professional fees	14,912	14,912	19,867
Governance	9,835	9,835	389
<b>Total 2020</b>	<b>1,083,048</b>	<b>1,083,048</b>	<b>1,160,122</b>
<b>Total 2019</b>	<b>1,160,122</b>	<b>1,160,122</b>	

**9. Net expenditure**

Net expenditure for the year includes:

	2020 £	2019 £
Depreciation of tangible fixed assets	320,933	303,490
Fees paid to auditors for:		
- audit	6,000	5,650
- other services	2,670	1,400

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**10. Staff**

**a. Staff costs**

Staff costs during the year were as follows:

	2020 £	2019 £
Wages and salaries	2,304,812	2,074,736
Social security costs	204,884	175,325
Pension costs	677,194	542,869
	<u>3,186,890</u>	<u>2,792,930</u>
Agency staff costs	61,771	74,351
Staff restructuring costs	-	5,771
	<u><u>3,248,661</u></u>	<u><u>2,873,052</u></u>

Staff restructuring costs comprise:

	2020 £	2019 £
Severance payments	-	5,771
	<u>-</u>	<u>5,771</u>

**b. Non-statutory/non-contractual staff severance payments**

Included in severance payments above is a non-contractual settlement payment of £3,500 made to 1 employee in 2019.

**c. Staff numbers**

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

	2020 No.	2019 No.
Teaching staff	43	43
Administration and Support staff	64	72
Management	11	8
	<u>118</u>	<u>123</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**10. Staff (continued)**

**d. Higher paid staff**

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

	<b>2020</b>	<b>2019</b>
	<b>No.</b>	<b>No.</b>
In the band £60,001 - £70,000	<u>1</u>	<u>1</u>

The employee above participated in the Teachers' Pension Scheme. During the year ended 31 August 2019 employers' pension contributions for these staff amounted to £17,122 (2019: £11,316).

**e. Key management personnel**

The key management personnel of the academy comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy was £610,328 (2019: £420,027).

**11. Central services**

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

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

The academy charges for these services on the following basis:

Cost allocation is based on actual costs incurred, split between the schools on a 2:1 basis.

The actual amounts charged during the year were as follows:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Broadstone First School	<b>252,383</b>	216,705
Broadstone Middle School	<b>504,766</b>	433,411
<b>Total</b>	<u><b>757,149</b></u>	<u>650,116</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**12. Trustees' remuneration and expenses**

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy. 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. The value of Trustees' remuneration and other benefits was as follows:

		2020 £	2019 £
Rhonda Moore	Remuneration	35,000 - 40,000	35,000 - 40,000
	Pension contributions paid	5,000 - 10,000	5,000 - 10,000

During the year ended 31 August 2020, no Trustee expenses have been incurred (2019 - £NIL).

**13. Trustees' and Officers' insurance**

In accordance with normal commercial practice, the academy 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. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme.

**14. Tangible fixed assets**

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
<b>Cost or valuation</b>					
At 1 September 2019	15,982,224	1,965,023	7,323	2,000	17,956,570
Additions	558,573	-	12,314	-	570,887
Transfers	58,675	(58,675)	-	-	-
At 31 August 2020	<u>16,599,472</u>	<u>1,906,348</u>	<u>19,637</u>	<u>2,000</u>	<u>18,527,457</u>
<b>Depreciation</b>					
At 1 September 2019	639,291	832,467	2,595	2,000	1,476,353
Charge for the year	127,857	190,635	2,441	-	320,933
At 31 August 2020	<u>767,148</u>	<u>1,023,102</u>	<u>5,036</u>	<u>2,000</u>	<u>1,797,286</u>
<b>Net book value</b>					
At 31 August 2020	<u><u>15,832,324</u></u>	<u><u>883,246</u></u>	<u><u>14,601</u></u>	<u><u>-</u></u>	<u><u>16,730,171</u></u>
At 31 August 2019	<u><u>15,342,933</u></u>	<u><u>1,132,556</u></u>	<u><u>4,728</u></u>	<u><u>-</u></u>	<u><u>16,480,217</u></u>



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**NOTES TO THE FINANCIAL STATEMENTS  
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**15. Debtors**

	2020 £	As restated 2019 £
<b>Due within one year</b>		
Trade debtors	139,817	25,727
Other debtors	39,795	43,244
Prepayments and accrued income	542,903	138,112
	<u>722,515</u>	<u>207,083</u>

**16. Creditors: Amounts falling due within one year**

	2020 £	2019 £
Salix loan	3,740	3,740
Trade creditors	215,589	219,411
Other taxation and social security	49,496	42,660
Other creditors	75,983	42,762
Accruals and deferred income	353,567	178,296
	<u>698,375</u>	<u>486,869</u>

	2020 £	2019 £
<b>Deferred income</b>		
Deferred income at 1 September 2019	69,286	69,503
Resources deferred during the year	153,961	69,286
Amounts released from previous periods	(69,286)	(69,503)
<b>Deferred income at 31 August 2020</b>	<u>153,961</u>	<u>69,286</u>

At the balance sheet date the Trust was holding funds received in advance for Universal Infant Free School Meals, Rates Relief, trips taking place in the 2020-21 academic year, unused sports premium and unspent expansion grant income.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**17. Creditors: Amounts falling due after more than one year**

	2020 £	2019 £
Salix loan	<u>29,380</u>	<u>29,380</u>

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	2020 £	2019 £
Payable or repayable by instalments	<u>14,420</u>	<u>14,420</u>

The ESFA issued a Salix loan to the school in respect of capital items. The loan is non-interest bearing and has a remaining term of 8 year period.

**18. Prior year adjustments**

During the year the ESFA confirmed that Academy Trust had significant control over the Poole Teaching School Alliance ("Teaching School") and therefore the results of the Teaching school should be included within those of the Academy Trust. The following restatements have consequently been included in these financial statements.

The fund position of the Teaching school as at 1 September 2018 was £110,511.

The Net income/(expenditure) of the Teaching school for the 2019 financial year was a deficit of £23,388.

The impact of the prior year restatements is an increase to the opening unrestricted income funds by £87,123.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**19. Statement of funds**

	Balance at 1 September 2019 (as restated) £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
<b>Unrestricted funds</b>						
General Funds	487,358	123,506	(113,302)	77,497	-	575,059
Teaching school	87,123	61,463	(18,002)	(54,297)	-	76,287
	<u>574,481</u>	<u>184,969</u>	<u>(131,304)</u>	<u>23,200</u>	<u>-</u>	<u>651,346</u>
<b>Restricted funds</b>						
General Annual Grant (GAG)	147,092	3,002,817	(3,053,047)	-	-	96,862
Other DfE/ESFA grants	-	368,921	(368,921)	-	-	-
Local authority grants	-	39,737	(39,737)	-	-	-
Covid-19 support	-	22,944	(22,944)	-	-	-
Donations	-	3,835	(3,835)	-	-	-
Teaching School	-	43,000	(19,800)	(23,200)	-	-
Pension reserve	(2,406,000)	-	(226,000)	-	(445,000)	(3,077,000)
	<u>(2,258,908)</u>	<u>3,481,254</u>	<u>(3,734,284)</u>	<u>(23,200)</u>	<u>(445,000)</u>	<u>(2,980,138)</u>
<b>Restricted fixed asset funds</b>						
Fixed Asset Funds	16,480,217	597,546	(320,933)	-	-	16,756,830
<b>Total Restricted funds</b>	<u>14,221,309</u>	<u>4,078,800</u>	<u>(4,055,217)</u>	<u>(23,200)</u>	<u>(445,000)</u>	<u>13,776,692</u>
<b>Total funds</b>	<u>14,795,790</u>	<u>4,263,769</u>	<u>(4,186,521)</u>	<u>-</u>	<u>(445,000)</u>	<u>14,428,038</u>

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

**Unrestricted funds**

These funds are for the general use of the academy and may be used towards meeting any of the

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**19. Statement of funds (continued)**

charitable objects of the academy trust at the discretion of the trustees.

**Restricted funds**

The General Annual Grant (GAG) represents funding received from the Education and Skills Funding Agency (ESFA) during the year in order to fund the continuing activities of the Trust.

Other DfE/ESFA grants, which includes pupil premium. This represents funding received from the ESFA to cater for disadvantaged pupils.

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

**Restricted fixed asset funds**

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

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

**Fund transfers**

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

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**19. Statement of funds (continued)**

**Total funds analysis by academy**

Fund balances at 31 August 2020 were allocated as follows:

	2020 £	As restated 2019 £
Broadstone First School	101,865	123,150
Broadstone Middle School	570,056	511,300
Teaching School	76,287	87,123
Total before fixed asset funds and pension reserve	748,208	721,573
Restricted fixed asset fund	16,756,830	16,480,217
Pension reserve	(3,077,000)	(2,406,000)
<b>Total</b>	<b>14,428,038</b>	<b>14,795,790</b>

**Total cost analysis by academy**

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2020 £	Total 2019 £
Broadstone First School	1,026,927	196,996	13,205	213,124	1,450,252	1,399,505
Broadstone Middle School	1,748,958	275,780	25,189	327,607	2,377,534	2,152,131
Teaching School	-	-	-	37,802	37,802	48,929
<b>Academy</b>	<b>2,775,885</b>	<b>472,776</b>	<b>38,394</b>	<b>578,533</b>	<b>3,865,588</b>	<b>3,600,565</b>

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**19. Statement of funds (continued)**

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

	Balance at 1 September 2018 (as restated) £	Income (as restated) £	Expenditure (as restated) £	Transfers in/out (as restated) £	Gains/ (Losses) £	Balance at 31 August 2019 (as restated) £
<b>Unrestricted funds</b>						
General Funds	427,063	256,855	(231,152)	34,592	-	487,358
Teaching school	110,511	46,007	(22,151)	(47,244)	-	87,123
	<u>537,574</u>	<u>302,862</u>	<u>(253,303)</u>	<u>(12,652)</u>	<u>-</u>	<u>574,481</u>
<b>Restricted general funds</b>						
General Annual Grant (GAG)	161,228	2,811,210	(2,825,346)	-	-	147,092
Other DfE/ESFA grants	-	265,797	(265,797)	-	-	-
Local authority grants	-	53,436	(53,436)	-	-	-
Donations	-	424	(424)	-	-	-
Teaching School	-	46,000	(26,778)	(19,222)	-	-
Pension reserve	(1,885,000)	-	(246,000)	-	(275,000)	(2,406,000)
	<u>(1,723,772)</u>	<u>3,176,867</u>	<u>(3,417,781)</u>	<u>(19,222)</u>	<u>(275,000)</u>	<u>(2,258,908)</u>
<b>Restricted fixed asset funds</b>						
Fixed Asset Funds	16,517,751	234,137	(303,545)	31,874	-	16,480,217
<b>Total Restricted funds</b>	<u>14,793,979</u>	<u>3,411,004</u>	<u>(3,721,326)</u>	<u>12,652</u>	<u>(275,000)</u>	<u>14,221,309</u>
<b>Total funds</b>	<u>15,331,553</u>	<u>3,713,866</u>	<u>(3,974,629)</u>	<u>-</u>	<u>(275,000)</u>	<u>14,795,790</u>

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**20. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	16,730,171	<b>16,730,171</b>
Current assets	651,346	824,617	26,659	<b>1,502,622</b>
Creditors due within one year	-	(698,375)	-	<b>(698,375)</b>
Creditors due in more than one year	-	(29,380)	-	<b>(29,380)</b>
Defined benefit pension scheme liability	-	(3,077,000)	-	<b>(3,077,000)</b>
<b>Total</b>	<b>651,346</b>	<b>(2,980,138)</b>	<b>16,756,830</b>	<b>14,428,038</b>

**Analysis of net assets between funds - prior year (as restated)**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	16,480,217	<b>16,480,217</b>
Current assets	640,748	597,074	-	<b>1,237,822</b>
Creditors due within one year	(66,267)	(420,602)	-	<b>(486,869)</b>
Creditors due in more than one year	-	(29,380)	-	<b>(29,380)</b>
Defined benefit pension scheme liability	-	(2,406,000)	-	<b>(2,406,000)</b>
<b>Total</b>	<b>574,481</b>	<b>(2,258,908)</b>	<b>16,480,217</b>	<b>14,795,790</b>

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**21. Reconciliation of net income/(expenditure) to net cash flow from operating activities**

	2020 £	As restated 2019 £
Net income/(expenditure) for the period (as per Statement of Financial Activities)	<b>77,248</b>	(260,763)
<b>Adjustments for:</b>		
Depreciation	<b>320,933</b>	303,545
Interest receivable	<b>(414)</b>	(451)
(Increase)/decrease in debtors	<b>(515,432)</b>	(73,229)
Increase/(decrease) in creditors	<b>211,506</b>	297,839
Defined benefit pension scheme finance cost	<b>226,000</b>	246,000
<b>Net cash provided by operating activities</b>	<b>319,841</b>	512,941

**22. Cash flows from investing activities**

	2020 £	2019 £
Interest receivable	<b>414</b>	451
Purchase of tangible fixed assets	<b>(570,887)</b>	(266,011)
<b>Net cash used in investing activities</b>	<b>(570,473)</b>	(265,560)

**23. Analysis of cash and cash equivalents**

	2020 £	As restated 2019 £
Cash at bank and in hand	<b>780,107</b>	1,030,739



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**24. Analysis of changes in net debt**

	At 1 September 2019 (as restated) £	Cash flows £	At 31 August 2020 £
Cash at bank and in hand	1,030,739	(250,632)	780,107
Debt due within 1 year	(3,740)	-	(3,740)
Debt due after 1 year	(29,380)	-	(29,380)
	<u>997,619</u>	<u>(250,632)</u>	<u>746,987</u>

**25. Contingent liabilities**

In 2006 Broadstone Middle School received a Football Foundation grant of £132,369 towards football pitch drainage and changing rooms at the school.

Upon conversion the grant was transferred to The Castleman Academy Trust.

The grant contained a claw back clause of 21 years, whereby if a number of conditions are not met by the school then it could be clawed back by the Football Foundation.

The trustees have reviewed their lettings policy for the football pitch and are actively marketing it within the local community. The trustees believe the school is complying with the conditions of the grant from the Football Foundation and are satisfied that they will not seek repayment of the grant at present.

**26. Capital commitments**

	2020 £	2019 £
<b>Contracted for but not provided in these financial statements</b>		
Acquisition of tangible fixed assets	<u>95,805</u>	<u>-</u>

**27. Pension commitments**

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

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

Contributions amounting to £106,873 were payable to the schemes at 31 August 2020 (2019 - £42,535) and are included within creditors.

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**27. Pension commitments (continued)**

**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 full-time 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 the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

**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 2023.

The employer's pension costs paid to TPS in the year amounted to £349,614 (2019 - £205,486).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

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

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**NOTES TO THE FINANCIAL STATEMENTS  
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**27. Pension commitments (continued)**

**Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £182,000 (2019 - £180,000), of which employer's contributions totalled £140,000 (2019 - £138,000) and employees' contributions totalled £ 42,000 (2019 - £42,000). The agreed contribution rates for future years are 18.8 per cent for employers and between 5.5 to 12.5 per cent for employees.

As described in note 2 the LGPS obligation relates to the employees of the academy, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy at the balance sheet date.

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.

**Principal actuarial assumptions**

	<b>2020</b>	2019
	%	%
Rate of increase in salaries	<b>3.30</b>	3.70
Rate of increase for pensions in payment/inflation	<b>2.30</b>	2.20
Discount rate for scheme liabilities	<b>1.60</b>	1.85
Inflation assumption (CPI)	<b>2.30</b>	2.20
Inflation assumption (RPI)	<b>3.10</b>	3.20

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

	<b>2020</b>	2019
	Years	Years
Retiring today		
Males	<b>23.3</b>	22.9
Females	<b>24.8</b>	24.8
Retiring in 20 years		
Males	<b>24.7</b>	24.6
Females	<b>26.2</b>	26.6

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**27. Pension commitments (continued)**

**Share of scheme assets**

The academy's share of the assets in the scheme was:

	2020 £	2019 £
Equities	987,000	985,000
Gilts	231,000	253,000
Other bonds	152,000	138,000
Property	190,000	201,000
Cash and other liquid assets	20,000	50,000
Infrastructure	130,000	102,000
Diversified growth bonds	110,000	113,000
Other assets	87,000	89,000
<b>Total market value of assets</b>	<b>1,907,000</b>	<b>1,931,000</b>

The actual return on scheme assets was £(147,000) (2019 - £146,000).

The amounts recognised in the Statement of Financial Activities are as follows:

	2020 £	2019 £
Current service cost	(322,000)	(286,000)
Past service cost	-	(49,000)
Interest income	37,000	45,000
Interest cost	(80,000)	(93,000)
Administrative expenses	(1,000)	(1,000)
Employer contributions	140,000	138,000
<b>Total amount recognised in the Statement of Financial Activities</b>	<b>(226,000)</b>	<b>(246,000)</b>

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**27. Pension commitments (continued)**

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

	2020 £	2019 £
<b>At 1 September</b>	<b>4,337,000</b>	<b>3,508,000</b>
Current service cost	322,000	286,000
Interest cost	80,000	93,000
Employee contributions	42,000	42,000
Actuarial losses	261,000	376,000
Benefits paid	(48,000)	(17,000)
Past service costs	-	49,000
<b>At 31 August</b>	<b>4,994,000</b>	<b>4,337,000</b>

Changes in the fair value of the academy's share of scheme assets were as follows:

	2020 £	2019 £
<b>At 1 September</b>	<b>1,931,000</b>	<b>1,623,000</b>
Expected return on assets	37,000	45,000
Actuarial (losses)/gains	(184,000)	101,000
Employer contributions	140,000	138,000
Employee contributions	42,000	42,000
Benefits paid	(48,000)	(17,000)
Administration expenses	(1,000)	(1,000)
<b>At 31 August</b>	<b>1,917,000</b>	<b>1,931,000</b>

The net movement in defined benefit obligations and the academy's share of scheme assets resulted in a £671,000 loss (2019: £521,000).

Net actuarial gains on defined benefit obligations and the academy's share of scheme assets totalled losses of £445,000 (2019: £275,000).

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**28. Operating lease commitments**

At 31 August 2020 the academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Not later than 1 year	3,562	3,562
Later than 1 year and not later than 5 years	890	4,452
	<u>4,452</u>	<u>8,014</u>

**29. 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 he/she ceases to be a member.

**30. Related party transactions**

Owing to the nature of the academy 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. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy's financial regulations and normal procurement procedures relating to connected and related party transactions.

**31. Post balance sheet events**

On 1 January 2021 entered into new funding agreements with three primary schools. The impact on funds has yet to be finalised at the date of signing these accounts.

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**32. Teaching school trading account**

	2020 £	2020 £	2019 £	2019 £
<b>Income</b>				
Core funding	43,000		46,000	
Teacher training income	61,463		46,007	
<b>Total income</b>		<b>104,463</b>		<b>92,007</b>
<b>Expenditure</b>				
Direct teaching training costs	19,800		26,778	
Support teacher training costs	18,002		22,151	
<b>Total expenditure</b>		<b>37,802</b>		<b>48,929</b>
<b>Transfers between funds excluding depreciation</b>		<b>77,497</b>		<b>66,466</b>
<b>Deficit from all sources</b>		<b>(10,836)</b>		<b>(23,388)</b>
<b>Teaching school balances at 1 September 2019</b>		<b>87,123</b>		<b>110,511</b>
<b>Teaching school balances at 31 August 2020</b>		<b>76,287</b>		<b>87,123</b>