



**CARLTON ACADEMY TRUST**  
**(A company limited by guarantee)**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**CARLTON ACADEMY TRUST**

**(A company limited by guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS**

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<b>Members</b>	A Laher D Woodward I Shafiq Prof G Bradshaw (resigned 31 January 2022) A Barker (resigned 1 April 2022) T Rogers (appointed 1 April 2022) A Sarai (appointed 25 April 2022)
<b>Trustees</b>	G Logan, Chair of Trustees A Kneeshaw, Chief Executive Officer G Arnold R Butterfield G Hussain A Sheikh K Singh D Thompson (resigned 2 November 2021) F Khan (appointed 5 October 2021) Prof G Bradshaw (appointed 1 February 2022)
<b>Company registered number</b>	11963458
<b>Company name</b>	Carlton Academy Trust
<b>Principal and registered office</b>	Carlton Bolling Undercliffe Lane Bradford BD3 0DU
<b>Company secretary</b>	Schofield Sweeney
<b>Accounting Officer</b>	A Kneeshaw
<b>Senior management team</b>	A Kneeshaw, Chief Executive Officer S Charlton, Director of Secondary School Improvement J Skurr, Executive Headteacher - Secondary L Reeder, Chief Financial Officer V Hartford, Director of Primary M Azum, Head of School - Carlton Bolling (appointed 1 September 2021) D Harvey-Hill, Director of Facilities and Compliance C Cathcart, Director of Human Resources T Byrne, Director of Safeguarding M Turvey, Head of School - Carlton Keighley (appointed 1 May 2022) C McDonald, Head of School - Carlton Mills Z Kearns, Head of School - Marshfield Primary D Cooksey, Head of School - Thorpe Primary (resigned 31 May 2022)

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**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)**  
*FOR THE YEAR ENDED 31 AUGUST 2022*

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P Mennell, Head of School - Thorpe Primary (appointed 1 July 2022)

**Independent auditors**

BHP LLP  
New Chartford House  
Centurion Way  
Cleckheaton  
BD19 3QB

**Bankers**

Lloyds Bank plc  
45 Hustlergate  
Bradford  
BD1 1NT

**Solicitors**

Schofield Sweeney  
Church Bank House  
Church Bank  
Bradford  
BD1 4DY

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## CARLTON ACADEMY TRUST

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### TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2022

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The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2021 to 31 August 2022. The annual report serves the purposes of both a trustees' report, and a directors' report and strategic report under company law. On 1 May 2022, Carlton Keighley (formerly University Academy Keighley) joined the trust taking the total schools within it to five (two secondary and three primary). Carlton Academy Trust is a Bradford-based trust which educates a total of around 3,350 students.

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

##### ***a. Constitution***

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of Carlton Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as Carlton Academy Trust. Details of the trustees who served during the year, and to the date these accounts are approved are included in the Reference and Administrative Details on page 1.

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

There are no qualifying third-party indemnity provisions.

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

Trustees are appointed based on the levels of skill, knowledge and experience they can offer the trust in required areas of expertise. In addition, trustees should also demonstrate congruence with the ethos and culture by which the trust operates. No trustee, except for the CEO, are paid for their services although they may claim reasonable expenses incurred within the scope of their duties. To date all members and trustees have been recruited through the professional networks and contacts of other members/trustees. There are no elections or voting systems for the appointment of trustees or members.

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

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**Structure, governance and management (continued)*****e. Policies adopted for the induction and training of Trustees***

When appointed, new trustees are provided with an induction which outlines the structure and composition of the trust, roles of members and trustees, expectations of their role, and familiarisation with the current context of the trust. They will also be allocated a link governor role according to their knowledge and experience.

Trustees are provided with regular training opportunities, predominantly through the National Governors Association which the trust has gold level membership. Membership includes magazines, newsletters, webinars, and online resources including those specifically aimed at those new to the role.

Trustees have ready access to policies through the trust website, which are also discussed as standing items at trustees' meetings. They are actively encouraged to familiarise with schools through attendance at events, visits, and quality assurance procedures related to their link responsibilities.

***f. Organisational structure***

The structure and operation of the trust follows the provisions set out in the Academies Handbook and Academies Governance Handbook.

Trustees have overall responsibility and ultimate decision-making authority for the effective operation of the trust. Their role is strategic rather than operational, quality-assuring the work of senior executive leaders and holding them to account for the performance of trust schools.

Members are akin to being shareholders in a company. Their role is to oversee the effective operation of the trust by senior leaders and trustees in accordance with the principles contained in the articles of association.

The Chief Executive Officer is the most senior member of trust staff and responsible for the overall performance of the trust across all areas. They implement strategic plans developed by trustees, reporting back on their success on a regular and timely basis.

Financial responsibilities are largely delegated to the Chief Financial Officer, while the performance of primary and secondary schools is the responsibility of the Director of Primary and Executive Headteacher Secondary, respectively. Each Head of School has overall responsibility for the performance of their school.

***g. Arrangements for setting pay and remuneration of key management personnel***

The remuneration of senior centrally employed trust staff is made according to four pay bands. These pay bands comprise total remuneration comprising salary, any employer pension contributions, or other benefits. This structure enables flexibility of remuneration, with staff able to have higher basic salaries where no employer pension contributions are made.

Each of the four pay bands has six spinal points, creating a 24-point scale. Staff progress through bands in line with increasing responsibilities according to the total number of schools and students they are responsible for. The setting of the position within each band is made with reference to DFE guidance 'Setting Executive Salaries' (2019) with consideration made for experience, previous achievements and level of challenge within the role.

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

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**Structure, governance and management (continued)*****h. Trade union facility time******Relevant union officials***

Number of employees who were relevant union officials during the year -  
Full-time equivalent employee number -

***Percentage of time spent on facility time***

<b><i>Percentage of time</i></b>	<b>Number of employees</b>
0%	-
1%-50%	-
51%-99%	-
100%	-

***Percentage of pay bill spent on facility time*** **£**

Total cost of facility time	-
Total pay bill	<b>15,389,534</b>
Percentage of total pay bill spent on facility time	- %

***Paid trade union activities***

Time spent on paid trade union activities as a percentage of total paid facility time hours	- %
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**TRUSTEES' REPORT (CONTINUED)**  
*FOR THE YEAR ENDED 31 AUGUST 2022*

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**Structure, governance and management (continued)*****i. Engagement with employees (including disabled persons)***

The trust has several mechanisms with which it keeps employees fully aware of matters which are of concern to them.

All schools have at least one weekly briefing session where key information is presented from senior leaders/other relevant personnel and offers the opportunity for questions from any member of staff. These are supplemented by staff meetings, regular after-school training sessions and email updates.

The views of staff are also sought through bi-annual staff surveys, where responses are analysed and used to inform future actions across all schools.

The trust consults fully with staff when making decisions which affect their interests. When it has a major impact on their employment, such as a staffing restructure, this will involve professional (union) representation. Other ways of consulting with staff may include focus groups, 1-1 interviews, random/informal conversations, and encouragement of an open-door policy where staff can freely offer their opinions. These methodologies are effective, leading to significant changes at one school during 2021-22.

The trust and its schools seek to engage employees in the performance of schools, regularly updating them as to awards, recognition and performance in external tests and examinations. Where possible, targets in annual performance management relate to performance in external exams and tests, further promoting involvement and engagement in these.

The trust is committed to being an equal opportunities employer and as such welcome's applications from disabled persons. Reasonable adjustments will be made for disabled employees, or those who become disabled, so that they can fully expedite the requirements of their role and play a full role within the school and trust. They will also be afforded full career development opportunities in line with the opportunities offered to all staff.

***j. Engagement with suppliers, customers and others in a business relationship with the Academy Trust***

The trust seeks to develop positive working relationships with all suppliers and others in a business relationship with the trust. Where possible and practicable, it seeks to develop professional dialogue and effective professional relationships with suppliers so that they are increasingly aware of trust values and how it wishes to do business in an open, honest, and transparent manner. The trust is willing to engage and work with all suppliers irrespective of organisation size or length of tenure, with contracts and tenders awarded to those who best meet cost, quality, and time parameters.

***Objectives and activities******a. Objects and aims***

The Trust aims to provide outstanding education and education outcomes to all students irrespective of race, culture, gender, disability or any other defining characteristic. This includes academic/exam outcomes, as well as relating to the broader social, moral and cultural development of students.



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

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**Objectives and activities (continued)**

***b. Objectives, strategies and activities***

The main objectives for 2022/23 are as follows:

- Further trust expansion to become an established and high-performing trust of scale comprising of around 10 schools and 5,000 students. This aligns with the government ambition articulated within its' recent white paper to have all schools as part of an academy trust by 2030 and all MAT's to be of this scale. There was (and continues to be) significant engagement with schools during 2021-22 considering joining the trust.
- Ensure Successful Ofsted inspections at trust schools to maintain and develop brand identity and awareness, which will facilitate further expansion of the trust. Four schools are in the 'window' for inspection during 2022/23 and the objective is for Carlton Bolling to retain 'Outstanding'; Marshfield attain 'Outstanding'; Thorpe retain 'Good'; Carlton Mills to attain 'Good'. School senior leaders and members of the central trust team are engaged in this objective developing comprehensive planning documents in preparation for inspection which map evidence against all inspection criteria
- Maintain the strong financial position of the school and trust despite the considerable cost pressures within the sector. These principally comprise unfunded pay rises for teaching and non-teaching staff; large increases in energy costs; general increase in costs due to inflation running at approximately 10%. Through maintaining the strong financial position of the trust and schools, more resources may be effectively applied to 'front line' teaching and learning activities, which help elevate standards and the reputation of schools.

This will be achieved through maximising income and reducing expenditure. Income is largely dependent on student numbers, so efforts will be made to maintain full school rolls at some schools whilst increasing numbers at others that still have spare places.

Indications from the latter part of 2021-22 and the early part of 2022-23 are that this is being achieved.

Expenditure is reduced from either making cuts, reducing usage, or gaining improved terms for current contracts:

**Cuts:** Although this isn't the prime focus, all contracts are being assessed for need, relevance, and value for money. If any contract fails to meet these standards they will be discontinued.

**Reduced Usage:** Many contracts fall under this scope, but the main focus is energy (gas and electric) due to the size of each contract and recent increases in cost. To help assess the scope of any reduction in usage, energy reviews will be commissioned as part of the internal audit procedures for the forthcoming year. These will examine usage throughout each daily 24-hour period to see if there are any aspects of usage which can be curtailed or stopped, and whether temperatures can be lowered during these periods to reduce the amount of energy required.

**Improved Contract Terms**

Best value in procurement has been further enhanced through the development of a trust contracts register. This enables the consolidation of some contracts across all schools, and therefore facilitates greater scope for bulk-buy discounts. The trust also plans to recruit a Trust Contracts Manager whose main responsibilities will be to coordinate procurement and maximise purchasing discounts through effective use of the Contracts Register.

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

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#### Objectives and activities (continued)

##### *Strategic report*

##### *Achievements and performance*

##### *a. Key performance indicators*

The trust has enjoyed a year of strong performance across all main parameters, as follows:

##### **Academic Outcomes: Secondary**

**Carlton Bolling:** Registered an overall Progress 8 score of +0.19. This is a strong score, which would have been higher with the inclusion of English Literature results and some BTEC examinations, which were both ineligible for inclusion in results as they were taken in the summer of 2021. Consideration also must be made for the results of some 'high ability' students who had previously attended two local primary schools, whose results were far below what would be expected of this ability profile. The difference in performance of these students compared to other high-ability students casts doubt on the accuracy of their KS2 results and has consequently served to depress the schools' overall P8 score. Taking all these factors into consideration, the school would have registered a P8 score of around +0.50.

**Carlton Keighley:** Registered an overall Progress 8 score of +0.10 which represents the best results in the schools' history. Like Carlton Bolling, the schools' students are likely to have been disproportionately affected by the effects of the Covid 19 lockdowns and school closures, with a consequential effect on headline results.

##### **Academic Outcomes: Primary**

**Carlton Mills:** Results reflect the improving standards at the school following a change of Head of School. KS2 SATS results were poor with progress in both Reading and Maths significantly below national averages, with writing in line with national averages. This wasn't unexpected after so many years of poor provision for this year group. Attainment in KS1 was all in line with national averages, which is also reflective of the recent improvements at the school.

**Marshfield:** Previous high standards at KS2 have been maintained, with both progress in Reading and Maths significantly above national standards and writing in line with national averages. Attainment standards across all three elements were significantly above national standards. Attainment in KS1 was in line with national standards for Reading, Writing and Maths.

**Thorpe:** Standards at Thorpe are consistently in line with national standards, with KS2 Progress, KS2 Attainment, and KS1 Attainment all in line with this measure, with the sole exception of KS2 Progress in Reading which is significantly below average.

##### **Awards**

Trust schools and staff have obtained several high-profile awards across the year. Some of the most prestigious are as follows:

##### **BBC/Pearson National Teaching Awards**

- Marshfield Silver Award winners for 'Primary School of the Year'
- Carlton Mills Silver Award winners for 'New Teacher of the Year'

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

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**Strategic report (continued)****Achievements and performance (continued)**

- Carlton Keighley Silver Award Winners for 'Teaching Assistant of the Year'
- Marshfield Bronze award winners for 'New Teacher of the Year'

**Times Educational Supplement National Teaching Awards**

- Marshfield finalists for best EYFS provision

**World Class Schools Quality Mark**

- Marshfield gained accreditation as a 'World Class School'
- Carlton Bolling re-accredited as a 'World Class School'
- Carlton Academy Trust invited to become a 'World Class Trust'

**Financial Performance**

The financial performance of the trust was very strong during 2021-22. Including the figures from UAK (previous name of Carlton Keighley until conversion to the trust in May 2022), the trust registered an overall surplus of approximately £1.8m. Crucially, this significant surplus was not made to the detriment of resources and standards at individual schools and reflects positively on the strong financial management systems and principles at the trust.

***b. Going concern***

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

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

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#### Strategic report (continued)

##### *Financial review*

##### *a. Review of financial period*

During the year ended 31 August 2022, when excluding the LGPS Pension Scheme adjustments and assets and liabilities inherited on transfer from single academy trust and local authority conversion, the trust recorded an in-year surplus of £790,997, with an income of £19,558,743 and total expenditure of £18,767,746. This has exclusively been created through the strong financial position of trust schools and an accumulation of in-year surpluses.

As of 31 August 2022, the total assets less current liabilities was £42,325,374 and the net book value of tangible fixed assets was £33,471,816. The balance sheet discloses cash and bank balances of £4,516,264.

The principal income sources were pupil-led, largely comprising GAG funding supplemented by deprivation-led factors (Pupil Premium) and special needs funding.

The strong financial position was as a combination of maintaining pupil student number across trust schools, as well as prudent financial management in looking for value money in purchasing and ensuring any spending maximises productivity and impact on school/student performance.

The impact of strong financial management was evident in the management of Covid, and in particular the high levels of staff absence that resulted from this. Supply costs could easily have escalated here, but prudent measures taken across all schools prevented this occurring. There were minimal fundraising activities across the trust, mainly comprising letting of sporting facilities at Carlton Keighley.

The main financial threats to the trust entering 2022/23 relate to rising costs. Staffing costs are the major cost of the trust and teachers have been awarded a 5% pay rise, whilst non-teaching staff have been awarded a flat rate increase which ranges between a 4% and 10% rise dependent on position on the pay scale. These are 'unfunded' pay rises with no further money provided by government. Schools are also facing considerable inflationary costs averaging 10% at time of writing. Energy costs are a particular concern as their cost has risen far in excess of 10%, and other than staffing is the next biggest source of expenditure for schools.

##### *b. Reserves policy*

The trust regularly reviews its levels of free reserves and had £5,279,073 at the year ending 31 August 2022. It aims to retain reserves equivalent to one month of total average expenditure, which should be sufficient to deal with short-term cashflow problems, or a large one-off expenditure. The trust also anticipates using its reserves to assist schools through the difficult financial challenges faced in 2022/23 and beyond to maintain the high-quality provision we aspire to within our schools.

The trust does not apply an annual reserves charge on schools. It also allows schools who record an in-year surplus to carry this forward to the next and future years. This both encourages more prudent financial management and allows schools the flexibility to meet the individual financial challenges facing them.

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## CARLTON ACADEMY TRUST

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

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#### *c. Investment policy*

The trust only invests in products which have low or no risk to the capital sum invested. They must be regulated by the Financial Conduct Authority and possess a strong credit rating.

The trust has recently invested just over £5.5m into government gilts through Brewin Dolphin wealth management. This investment has no risk to capital and is expected to appreciate a gross annual return of around 4%. Brewin Dolphin also have another £1m of trust reserves on account to invest when they feel market conditions are favourable.

#### *d. Principal risks and uncertainties*

The principal risks or uncertainties facing the trust are:

**Increasing Costs:** These relate to unfunded increases to staffing costs, and a general increase in costs/inflation in particular energy costs. Although the trust is in a strong relative position to deal with these, it will seek to minimise the impact of these through cost-saving reviews and initiatives, improved procurement and seeking of economies of scale.

**Cybersecurity Threats:** This represents the biggest threat to business continuity at the trust. Specifically, this is the danger of an outside actor/threat gaining entry to the trusts' IT network, taking data, and then asking a ransom for its return. This would cause significant interruption to business, potential cost, and reputational damage to the trust.

To ensure these risks are minimised the trust will:

- Commission a DEFCON 6 review as part of the trusts' Internal Audit processes. This provides a high-level benchmark for network security judged against current major threats.
- Maintain compliance with RPA Cybersecurity conditions of Cybersecurity insurance cover. This includes several measures including ensuring that all new staff undertake RPA Cybersecurity training.
- Regular additional training for other key staff and trustees.

#### **Ofsted Inspection Outcomes**

Four out of five trust schools are in the Ofsted inspection window during 2022-23. Their outcomes will have an impact on the reputation of the trust and consequential ability to effectively market to other schools who may be interested in joining CAT.

To help ensure inspection outcomes are aligned with trust expectations and ambitions, senior trust staff are overseeing thorough and detailed preparations for inspections across all schools. This includes ensuring all schools and trustees have a full understanding of the inspection process, can effectively evidence against each element of the inspection framework, and have the necessary paperwork completed to a high standard in advance of inspections.

#### **Fundraising**

The academy trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Trustees.

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

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***Plans for future periods***

The trusts' medium-term ambition is to become an established trust of scale, comprising of approximately 10 schools and 5000 students. This aligns with the governments' ambition as expressed in the recent education white paper for all schools to attain this scale. This is a size where the costs of assimilating each additional school are significantly reduced and the trust can increasingly benefit from economies of scale. It is essential that growth is targeted at the right type of school that can attain the high standards expected at CAT and without unduly stretching trust resources and compromising standards.

The number of schools who could feasibly be assimilated to CAT in 2022-23 is dependent on several factors including size, type, overall standards, financial position, type of entry to the trust, and location.

Other priorities for 2022/23 include:

- Securing Ofsted inspection outcomes in line with trust ambitions: Carlton Bolling: 'Outstanding'; Marshfield - Outstanding'; Carlton Mills - 'Good'; Thorpe - 'Good'
- Maintain the strong financial position of the trust and all individual schools
- Further refinement of operational practices and procedures to enhance productivity and financial efficiency of the trust

***Funds held as custodian on behalf of others***

The trust holds no funds as a custodian on behalf of others.

***Disclosure of information to auditors***

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the 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:

  
G D Logan (Dec 14, 2022 10:58 GMT)

.....  
**Gareth Logan**  
Chair of Trustees

Date: Dec 14, 2022

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## CARLTON ACADEMY TRUST

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### GOVERNANCE STATEMENT

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#### Scope of responsibility

As trustees we acknowledge we have overall responsibility for ensuring that Carlton 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 Carlton 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 formally met six times during the year.

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

Trustee	Meetings attended	Out of a possible
G Logan, Chair of Trustees	6	6
A Kneeshaw, Chief Executive Officer	6	6
G Arnold	4	6
R Butterfield	5	6
G Hussain	2	6
A Sheikh	5	6
K Singh	5	6
D Thompson (resigned 2 November 2021)	1	1
F Khan (appointed 5 October 2021)	6	6
Prof G Bradshaw (appointed 1 February 2022)	1	4

There have been two new trustees with Faisal Khan and Gwendolen Bradshaw joining on 5 October 2021 and 1 February 2022, respectively. David Thompson left the trust board on 2 November 2021.

Full trustees' meetings report back on discussions and actions taken at both the Risk and Audit and Standards sub-committees. They also receive safeguarding updates from the Director of Safeguarding, finance update from the Chief Financial Officer and have a standing 'Policy Focus' item where trustees learn about trust policies in detail to improve their knowledge and awareness of how the trust operates. Full trustees' meetings also consider major trust initiatives and any other agenda item that don't readily fit into the scope of the sub-committees.

The board is composed of people from varying backgrounds and expertise, who together provide a strong range of knowledge to provide the requisite level of oversight and challenge to trust senior leaders. Their effectiveness will be formally reviewed during 2022-23 where an external review of governance will be commissioned as part of internal audit processes.

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**GOVERNANCE STATEMENT (CONTINUED)**

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**Governance (continued)**

Trustees are presented with a range of high-quality data at meetings. This is either externally validated national data (or similar), or internally generated trust data. By its nature, the internal data is potentially less reliable. However, trustees are assured of its quality through detailed explanations from senior trust staff of how this information is obtained, which is then quality-assured through trustee visits to observe these processes in action.

Conflicts of interests are minimised through the annual completion of the Trustees Register of Business interests. Here all trustees declare all business interests, or other similar sources of potential conflict. In addition, at the start of each trustees' meeting there is a standing item for all trustees to declare potential interests. The Register of Interests is retained and used to inform any purchasing decisions made within the trust.

Attendance at the Members meeting was as follows:

Members	Meetings attended	Out of a possible
Ishaq Shafiq	1	1
Dean Woodward	1	1
Ayub Laher	1	1
Professor Gwendolen Bradshaw (resigned 31 January 2022)	1	1
Anna Barker (resigned 1 April 2022)	1	1
Tim Rogers (appointed 1 April 2022)	0	0
Amer Sarai (appointed 25 April 2022)	0	0

Two members left the trust during 2021-22, Gwendolen Bradshaw on 31 January 2022 and Anna Barker on 1 April 2022. They were replaced by Tim Rogers on 1 April 2022 and Amer Sarai on 25 April 2022.

**Risk and Audit Committee**

The Risk and Audit Committee is a sub-committee of the main board of trustees. Its purpose is to enable greater oversight and scrutiny of financial management; procurement; risk management; risk management; human resources; data protection; estates management; health and safety; internal audit processes. It meets at least once every half term, with discussions and actions reported as a standing item at full trustees' meetings. Membership is made up of six trustees, one of which is the CEO. It is also attended by the CFO and other central trust directors in alignment with their role and responsibilities.

Attendance at meetings in 2021-22 was as follows:

Trustee	Meetings attended	Out of a possible
Gareth Logan	8	8
Roger Butterfield	6	8
Altaf Sheikh - Chair	6	8
Adrian Kneeshaw	8	8
Faisal Khan (appointed 5 October 2021)	6	7

There was only one change of membership to the sub-committee, with Faisal Khan joining to replace a trustee who resigned during the previous year.



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**GOVERNANCE STATEMENT (CONTINUED)**

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**Governance (continued)****Standards Committee**

The Standards committee is a sub-committee of the main board of trustees, which was introduced during 2021-22. During the year it met on three occasions, but this has been increased to six for 2022-23.

Its purpose is to enable greater oversight and scrutiny of student performance across all schools. This includes scrutiny of academic progress and outcomes; attendance and pastoral data; special needs; quality assurance methodologies; any miscellaneous information relating to student and school performance.

It is attended by five trustees, one of which is the CEO, with membership over the year as follows:

Trustee	Meetings attended	Out of a possible
Professor Gwendolen Bradshaw - Chair	0	2
Gareth Logan	2	2
Gill Arnold	0	2
Kash Singh	1	2
Adrian Kneeshaw	2	2

**Review of value for money**

As accounting officer, the Chief Executive has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received. The accounting officer considers how the academy 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 or by using a framework where appropriate. The accounting officer for the academy trust has delivered improved value for money during the year by:

- Overseeing staffing restructures at some trust schools to enable greater financial efficiencies and productivity from school financial resources
- Promotion of a culture amongst senior leaders to evaluate all spending in relation to impact on school/trust objectives, discontinuing any which does not offer strong value for money
- Development of a Trust Contracts Register that consolidates contracts across all schools, thereby enabling a more pro-active approach to procurement enabling greater scope for economies of scale.
- Increased use of government procurement frameworks
- Internal Audit procedures, reviewing the quality and value-for-money of catering and cleaning provision.

The effectiveness of these can be seen in the very strong financial position of the Trust.

**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 on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Carlton Academy Trust for the period 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

GOVERNANCE STATEMENT (CONTINUED)

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**Capacity to handle risk**

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

**The risk and control framework**

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

- Comprehensive budgeting and monitoring systems with annual budget and monthly financial reports which are reviewed and agreed by the board of trustees.
- Regular review of financial performance by the Risk and Audit committee.
- Setting targets to measure financial performance.
- Clearly defined purchasing and procurement guidelines and financial policies.
- Identification and management of risks.
- regular reviews by the Finance and General Purposes Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes.
- setting targets to measure financial and other performance.
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- identification and management of risks.

The Board of Trustees has decided to buy internal audit services from a range of providers. This option has been chosen as this enables the trust to commission the expert advice it needs for these specific areas of operation. If one individual or company were to complete all reviews, the trust would be unlikely to be able to access the expert knowledge and insight required to achieve the high standards the trust aspires to.

The internal auditor's role includes giving advice on financial and other matters and performing a range of checks on the academy trust's financial and other systems. In particular, the checks carried out in the current period included

- **Review of Catering:** This was led by Red Box Consultancy Services and examined the quality of catering provision across all trust schools. The results of this audit led to the employment of a Trust Catering Director who now oversees provision across all schools. This also led to discontinuing catering contracts previously held by local authority catering providers at Marshfield and Thorpe primary schools, which are now overseen by the Trust Catering Director.
- **Cybersecurity Review:** This was led by Gallagher's consultancy services to assess the quality of trust systems to counter the threat of cybersecurity breaches whose 'DEFCON 6' review is seen as an authoritative, industry-standard review. This has led to further trust developments such as the introduction of DMARC email.
- **Review of Cleaning:** This was again led by Red Box Consultancy Services and examined quality of service and value for money in cleaning contracts at four trust schools. The findings have led to a tender process to examine the feasibility of outsourcing cleaning at trust primary schools.

When received, audit reports are presented and discussed to trustees through Risk and Audit committee meetings on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities. On an annual basis the CEO prepares a summary report to the committee outlining the areas reviewed, key findings, recommendations, and conclusions to help the committee consider actions and assess year on year progress.

**GOVERNANCE STATEMENT (CONTINUED)**

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

The internal auditor delivered their programme of work as planned and highlighted the following areas as areas for improvement:

- Labelling for pre-packed goods to be finalised and implemented ahead of legislation
- Display employer liability insurance documentation in staff area
- Opened items to have full allergen labelling in place throughout the service
- HACPP log to be amended to state correct acceptable thresholds as shown in the temperature management log
- Temperature records to include break time service and hot holdings
- Probe calibrations to be identified in the Food Safety Management system and recorded accurately
- Move sandwiches to cold store display during service times
- Utilise allergen labels for food production with sign from food handler to say information transferred
- Ensure all allergen information is available on menus, updated, checked and recorded on prep sheets
- Ensure all areas are free from food on floor storage
- Adequate stock rotation
- All items in fridge or hot handling to be covered to prevent cross contamination
- Ensure employers liability certificate and H&S policy on statement on display
- All software that runs on the network must be patched with security updates as a minimum
- Removable media should be disabled entirely in the system BIOS as this prevents anyone from plugging in removable media
- Multi-Factor Authentication Rollout

All above areas have been reviewed by the Trust and appropriate action/staff training has been undertaken to ensure these matters do not occur in the future.

**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 internal auditor
- the financial management and governance self-assessment process or the school resource management self-assessment tool
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework
- the work of the external auditor;

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Risk and Audit committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

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**CARLTON ACADEMY TRUST**

**(A company limited by guarantee)**

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**GOVERNANCE STATEMENT (CONTINUED)**

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Approved by order of the members of the Board of Trustees and signed on their behalf by:

*G D Logan*  
G D Logan (Dec 14, 2022 10:58 GMT)  
.....

**Gareth Logan**  
Chair of Trustees

Date: Dec 14, 2022

*Adrian Kneeshaw*  
Adrian Kneeshaw (Dec 14, 2022 11:05 GMT)  
.....

**Adrian Kneeshaw**  
Accounting Officer

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**CARLTON ACADEMY TRUST**

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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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

*Adrian Kneeshaw*  
Adrian Kneeshaw (Dec 14, 2022 11:05 GMT)

.....  
**A Kneeshaw**  
Accounting Officer  
Date: Dec 14, 2022

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**CARLTON ACADEMY TRUST**

**(A company limited by guarantee)**

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**STATEMENT OF TRUSTEES' RESPONSIBILITIES**  
*FOR THE YEAR ENDED 31 AUGUST 2022*

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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:

  
G D Logan (Dec 14, 2022 10:58 GMT)

.....  
**G Logan**  
Chair of Trustees

Date: Dec 14, 2022

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**CARLTON ACADEMY TRUST**

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

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**Opinion**

We have audited the financial statements of Carlton Academy Trust (the 'academy trust') for the year ended 31 August 2022 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 2021 to 2022 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 Trust's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 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 Trust 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**

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

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

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

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**CARLTON ACADEMY TRUST**

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

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**Other information**

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**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 Trust 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.



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**CARLTON ACADEMY TRUST**

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

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**Responsibilities of trustees**

As explained more fully in the Statement of trustees' responsibilities, the Trustees (who are also the directors of the Academy Trust 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 Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Academy Trust 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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

- we identified the laws and regulations applicable to the academy trust through discussions with management, and from our knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the operations of the academy trust, including the Charities Act 2011 and the guidance issued by the ESFA;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting correspondence with the regulators; and
- identified laws and regulations were communicated within the audit team and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the academy trust's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

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

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**CARLTON ACADEMY TRUST**

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

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

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

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

- agreeing financial statement disclosures to underlying supporting documentation;
- reviewing correspondence with regulators and reading minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 Trust'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 Trust'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 Trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Lesley Kendrew (Senior Statutory Auditor)**

for and on behalf of

**BHP LLP**

Chartered Accountants

New Chartford House

Centurion Way

Cleckheaton

BD19 3QB

Date: Dec 16, 2022

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**CARLTON ACADEMY TRUST**

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

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In accordance with the terms of our engagement letter dated 2 July 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Carlton Academy Trust during the year 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Carlton Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Carlton 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 Carlton Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of Carlton Academy Trust's funding agreement with the Secretary of State for Education dated 22 May 2019 and the Academy Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2021 to 2022. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2021 to 31 August 2022 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**Approach**

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

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

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

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

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**CARLTON ACADEMY TRUST**

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

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The work undertaken to draw to our conclusion includes:

- checking that the academy trust's activities are consistent with its framework and its charitable objectives,
- checking that the governors and key staff have disclosed their interest in related parties, discussing the same with management and reviewing transactions during the period for any undisclosed related party transactions,
- checking that any related party transactions during the period are conducted under normal commercial rates,
- checking that academy trust expenditure is permitted by its funding agreement,
- checking that any borrowings entered into, including leases, are in accordance with the Academies Handbook,
- checking that any land and building transactions, especially disposals, are in line with the funding agreement and Academies Handbook.

**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 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



**Lesley Kendrew**  
Reporting Accountant  
**BHP LLP**

New Chartford House  
Centurion Way  
Cleckheaton  
BD19 3QB

Date: Dec 16, 2022

**CARLTON ACADEMY TRUST**

**(A company limited by guarantee)**

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 AUGUST 2022**

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
<b>Income from:</b>						
Donations and capital grants:	3					
Transfer from single academy trust		2,038,500	799,124	9,712,114	12,549,738	-
Transfer from local authority on conversion		-	-	-	-	(1,078,159)
Other donations and capital grants		-	-	68,037	68,037	56,840
Other trading activities		509,912	-	-	509,912	1,634,449
Investments	6	536	-	-	536	429
Charitable activities		-	19,048,295	-	19,048,295	14,827,204
Revaluation of tangible fixed assets		-	-	23,335,000	23,335,000	-
<b>Total income</b>		<b>2,548,948</b>	<b>19,847,419</b>	<b>33,115,151</b>	<b>55,511,518</b>	<b>15,440,763</b>
<b>Expenditure on:</b>						
Charitable activities		1,619,660	17,365,703	970,383	19,955,746	16,928,164
<b>Total expenditure</b>		<b>1,619,660</b>	<b>17,365,703</b>	<b>970,383</b>	<b>19,955,746</b>	<b>16,928,164</b>
<b>Net income/(expenditure)</b>		<b>929,288</b>	<b>2,481,716</b>	<b>32,144,768</b>	<b>35,555,772</b>	<b>(1,487,401)</b>
Transfers between funds	17	-	(12,131)	12,131	-	-
<b>Net movement in funds before other recognised gains/(losses)</b>		<b>929,288</b>	<b>2,469,585</b>	<b>32,156,899</b>	<b>35,555,772</b>	<b>(1,487,401)</b>
<b>Other recognised gains/(losses):</b>						
Actuarial gains/(losses) on defined benefit pension schemes	23	-	7,993,000	-	7,993,000	(496,000)
<b>Net movement in funds</b>		<b>929,288</b>	<b>10,462,585</b>	<b>32,156,899</b>	<b>43,548,772</b>	<b>(1,983,401)</b>

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**CARLTON ACADEMY TRUST****(A company limited by guarantee)**

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**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)**  
**(CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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	<b>Unrestricted funds 2022</b>	<b>Restricted funds 2022</b>	<b>Restricted fixed asset funds 2022</b>	<b>Total funds 2022</b>	<b>Total funds 2021</b>
<b>Note</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward	<b>2,373,603</b>	<b>(6,194,918)</b>	<b>1,314,917</b>	<b>(2,506,398)</b>	(522,997)
Net movement in funds	<b>929,288</b>	<b>10,462,585</b>	<b>32,156,899</b>	<b>43,548,772</b>	(1,983,401)
<b>Total funds carried forward</b>	<b>3,302,891</b>	<b>4,267,667</b>	<b>33,471,816</b>	<b>41,042,374</b>	(2,506,398)

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 32 to 61 form part of these financial statements.

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**CARLTON ACADEMY TRUST**

**(A company limited by guarantee)**  
REGISTERED NUMBER: 11963458

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BALANCE SHEET  
AS AT 31 AUGUST 2022

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	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	14	<b>33,471,816</b>	1,314,917
		<hr/>	<hr/>
		<b>33,471,816</b>	1,314,917
<b>Current assets</b>			
Debtors	15	<b>4,740,715</b>	676,092
Cash at bank and in hand		<b>4,516,264</b>	2,778,271
		<hr/>	<hr/>
		<b>9,256,979</b>	3,454,363
Creditors: amounts falling due within one year	16	<b>(403,421)</b>	(373,678)
		<hr/>	<hr/>
<b>Net current assets</b>		<b>8,853,558</b>	3,080,685
		<hr/>	<hr/>
<b>Total assets less current liabilities</b>		<b>42,325,374</b>	4,395,602
Defined benefit pension scheme liability	23	<b>(1,283,000)</b>	(6,902,000)
		<hr/>	<hr/>
<b>Total net assets/(liabilities)</b>		<b>41,042,374</b>	(2,506,398)
		<hr/> <hr/>	<hr/> <hr/>
<b>Funds of the Academy Trust</b>			
<b>Restricted funds:</b>			
Fixed asset funds	17	<b>33,471,816</b>	1,314,917
Restricted income funds	17	<b>5,550,667</b>	707,082
		<hr/>	<hr/>
Restricted funds excluding pension asset	17	<b>39,022,483</b>	2,021,999
Pension reserve	17	<b>(1,283,000)</b>	(6,902,000)
		<hr/>	<hr/>
<b>Total restricted funds</b>	17	<b>37,739,483</b>	(4,880,001)
<b>Unrestricted income funds</b>	17	<b>3,302,891</b>	2,373,603
		<hr/>	<hr/>
<b>Total funds</b>		<b>41,042,374</b>	(2,506,398)
		<hr/> <hr/>	<hr/> <hr/>

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**CARLTON ACADEMY TRUST**

**(A company limited by guarantee)**  
REGISTERED NUMBER: 11963458

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**BALANCE SHEET (CONTINUED)**  
*AS AT 31 AUGUST 2022*

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The financial statements on pages 27 to 61 were approved and authorised for issue by the Trustees and are signed on their behalf, by:

*G D Logan*  
G D Logan (Dec 14, 2022 10:58 GMT)

.....

**G Logan**  
Chair of Trustees

Date: Dec 14, 2022

The notes on pages 32 to 61 form part of these financial statements.



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**CARLTON ACADEMY TRUST****(A company limited by guarantee)**

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

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	Note	2022 £	2021 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	19	<b>1,850,831</b>	1,387,707
<b>Cash flows from investing activities</b>	20	<b>(112,838)</b>	(309,625)
<b>Change in cash and cash equivalents in the year</b>		<b>1,737,993</b>	1,078,082
Cash and cash equivalents at the beginning of the year		<b>2,778,271</b>	1,700,189
<b>Cash and cash equivalents at the end of the year</b>	21, 22	<b>4,516,264</b>	2,778,271

The notes on pages 32 to 61 form part of these financial statements

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

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**1. Accounting policies**

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

**1.1 Basis of preparation of financial statements**

The financial statements of the Academy Trust, 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 2021 to 2022 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 trust to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

**1.3 Income**

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

• **Grants**

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

General Annual Grant is recognised in full in the Statement of financial activities in the year for which it is receivable and any abatement in respect of the 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.

• **Sponsorship income**

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the Statement of financial activities in the year in which it is receivable (where there are no performance-related conditions) where receipt is probable and it can be measured reliably.

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

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1. Accounting policies (continued)

1.3 Income (continued)

- **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 Trust has provided the goods or services.

- **Donated goods, facilities and services**

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

- **Transfer on conversion**

Where assets and liabilities are received by the Academy Trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the Balance sheet at the point when the risks and rewards of ownership pass to the Academy Trust. An equal amount of income is recognised as a transfer on conversion within 'Income from Donations and Capital Grants' to the net assets received.

- **Transfer of existing academies into the Academy Trust**

Where assets and liabilities are received on the transfer of an existing academy into the Academy Trust, the transferred assets are measured at fair value and recognised in the Balance sheet at the point when the risks and rewards of ownership pass to the Academy Trust. An equal amount of income is recognised for the transfer of an existing academy into the Academy Trust within 'Income from Donations and Capital Grants' to the net assets acquired.

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 Trust's educational operations, including support costs and costs relating to the governance of the Academy Trust apportioned to charitable activities.

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

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**1. Accounting policies (continued)**

**1.4 Expenditure (continued)**

All resources expended are inclusive of irrecoverable VAT.

**1.5 Government grants**

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of financial activities as the related expenditure is incurred.

**1.6 Interest receivable**

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

**1.7 Taxation**

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

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

**1.8 Tangible fixed assets**

Assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

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1. Accounting policies (continued)

1.8 Tangible fixed assets (continued)

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:

Freehold property	-	25%	straight line basis
Fixtures and fittings	-	10%	straight line basis
Equipment	-	25%	straight line basis
Motor vehicles	-	25%	straight line basis

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.

1.9 Debtors

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

1.10 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.

1.11 Liabilities

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

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

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**1. Accounting policies (continued)**

***1.12 Financial instruments***

The Academy Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Academy Trust 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.

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 note 16. 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.

***1.13 Operating leases***

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

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

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1. Accounting policies (continued)

**1.14 Pensions**

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary 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 Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance sheet date. The amounts charged to 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.

**1.15 Fund accounting**

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

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

Investment income, gains and losses are allocated to the appropriate fund.

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**CARLTON ACADEMY TRUST****(A company limited by guarantee)**

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

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**2. Critical accounting estimates and areas of judgment**

Estimates and judgments 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 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

**3. Income from donations and capital grants**

	<b>Unrestricted funds 2022 £</b>	<b>Restricted funds 2022 £</b>	<b>Restricted fixed asset funds 2022 £</b>	<b>Total funds 2022 £</b>	<b>Total funds 2021 £</b>
Transfers from Local Authority on conversion and from Single Academy Trust	2,038,500	799,124	9,712,114	<b>12,549,738</b>	(1,078,159)
Capital grants	-	-	68,037	<b>68,037</b>	52,240
Donations	-	-	-	-	4,600
	<u>2,038,500</u>	<u>799,124</u>	<u>9,780,151</u>	<u><b>12,617,775</b></u>	<u>(1,021,319)</u>
Total 2021	<u>309,661</u>	<u>(1,813,000)</u>	<u>482,020</u>	<u>(1,021,319)</u>	



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**CARLTON ACADEMY TRUST****(A company limited by guarantee)**

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

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

	<b>Restricted funds 2022 £</b>	<b>Total funds 2022 £</b>	Total funds 2021 £
<b>Education</b>			
<b>DfE/ESFA grants</b>			
General Annual Grant (GAG)	16,668,369	<b>16,668,369</b>	12,368,312
Other DfE/ESFA grants			
Pupil Premium	1,094,690	<b>1,094,690</b>	878,646
Teachers Pay Grants	163,860	<b>163,860</b>	552,704
Covid Catch Up	-	-	180,340
UIFSM	270,452	<b>270,452</b>	142,240
Others	134,731	<b>134,731</b>	144,629
	<hr/>	<hr/>	<hr/>
	18,332,102	<b>18,332,102</b>	14,266,871
<b>Other Government grants</b>			
Special Educational Needs	314,329	<b>314,329</b>	229,462
Local authority grants	337,870	<b>337,870</b>	272,217
Coronavirus Job Retention Scheme grants	-	-	6,454
Others	63,994	<b>63,994</b>	52,200
	<hr/>	<hr/>	<hr/>
	716,193	<b>716,193</b>	560,333
	<hr/>	<hr/>	<hr/>
	19,048,295	<b>19,048,295</b>	14,827,204
	<hr/>	<hr/>	<hr/>
Total 2021	<hr/>	<hr/>	<hr/>
	14,827,204	14,827,204	
	<hr/>	<hr/>	

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**CARLTON ACADEMY TRUST****(A company limited by guarantee)**

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

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**5. Income from other trading activities**

	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>	Total funds 2021 £
Catering income	266,919	<b>266,919</b>	131,951
SLA/salary income	194,215	<b>194,215</b>	768,911
Other income	48,778	<b>48,778</b>	733,587
	<hr/> 509,912 <hr/>	<hr/> <b>509,912</b> <hr/>	<hr/> 1,634,449 <hr/>
Total 2021	<hr/> 1,634,449 <hr/>	<hr/> 1,634,449 <hr/>	

**6. Investment income**

	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>	Total funds 2021 £
Bank interest received	536	<b>536</b>	429
	<hr/> 429 <hr/>	<hr/> 429 <hr/>	
Total 2021	<hr/> 429 <hr/>	<hr/> 429 <hr/>	

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**CARLTON ACADEMY TRUST****(A company limited by guarantee)**

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

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**7. Expenditure**

	<b>Staff Costs 2022 £</b>	<b>Premises 2022 £</b>	<b>Other 2022 £</b>	<b>Total 2022 £</b>	<b>Total 2021 £</b>
Education:					
Direct costs	12,724,596	-	2,719,964	<b>15,444,560</b>	12,730,058
Allocated support costs	2,664,938	774,660	1,071,588	<b>4,511,186</b>	4,198,106
	<u>15,389,534</u>	<u>774,660</u>	<u>3,791,552</u>	<u><b>19,955,746</b></u>	<u>16,928,164</u>
Total 2021	<u>13,364,823</u>	<u>206,567</u>	<u>3,356,774</u>	<u>16,928,164</u>	

**8. Analysis of expenditure by activities**

	<b>Activities undertaken directly 2022 £</b>	<b>Support costs 2022 £</b>	<b>Total funds 2022 £</b>	<b>Total funds 2021 £</b>
Education	<u>15,444,560</u>	<u>4,511,186</u>	<u><b>19,955,746</b></u>	<u>16,928,164</u>
Total 2021	<u>12,730,058</u>	<u>4,198,106</u>	<u>16,928,164</u>	

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**CARLTON ACADEMY TRUST****(A company limited by guarantee)**

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

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**8. Analysis of expenditure by activities (continued)****Analysis of support costs**

	<b>Education 2022 £</b>	<b>Total funds 2022 £</b>	<b>Total funds 2021 £</b>
Staff costs	2,664,938	<b>2,664,938</b>	2,164,049
Depreciation	16,190	<b>16,190</b>	11,249
Other costs	833,507	<b>833,507</b>	1,251,625
Recruitment and other staff costs	116,282	<b>116,282</b>	93,103
Premises costs	774,660	<b>774,660</b>	592,160
Legal and professional	67,545	<b>67,545</b>	70,792
Governance costs	38,064	<b>38,064</b>	15,128
	<hr/> <b>4,511,186</b> <hr/>	<hr/> <b>4,511,186</b> <hr/>	<hr/> <b>4,198,106</b> <hr/>
Total 2021	<hr/> <b>4,198,106</b> <hr/>	<hr/> <b>4,198,106</b> <hr/>	

**9. Net income/(expenditure)**

Net income/(expenditure) for the year includes:

	<b>2022 £</b>	<b>2021 £</b>
Depreciation of tangible fixed assets	<b>970,383</b>	422,098
Fees paid to auditors for:		
- audit	<b>15,250</b>	12,500
- other services	<b>5,575</b>	5,175
	<hr/> <b>991,208</b> <hr/>	<hr/> <b>439,773</b> <hr/>

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**CARLTON ACADEMY TRUST****(A company limited by guarantee)**

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

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**10. Staff****a. Staff costs**

Staff costs during the year were as follows:

	<b>2022</b>	2021
	£	£
Wages and salaries	<b>10,562,520</b>	9,507,042
Social security costs	<b>1,072,225</b>	927,560
Pension costs	<b>3,045,695</b>	2,535,838
	<b>14,680,440</b>	12,970,440
Agency staff costs	<b>456,931</b>	213,506
Staff restructuring costs	<b>252,163</b>	180,877
	<b>15,389,534</b>	13,364,823

Staff restructuring costs comprise:

	<b>2022</b>	2021
	£	£
Redundancy payments	<b>64,137</b>	134,487
Severance payments	<b>188,026</b>	46,390
	<b>252,163</b>	180,877

**b. Special staff severance payments**

Included in staff restructuring costs are non-statutory/non contractual severance payments totalling £188,026 (2021: £46,390).

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**CARLTON ACADEMY TRUST****(A company limited by guarantee)**

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

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**10. Staff (continued)****c. Staff numbers**

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

	<b>2022</b>	2021
	<b>No.</b>	No.
Teachers	<b>190</b>	166
Administration and support	<b>217</b>	202
Management	<b>41</b>	9
	<b>448</b>	377

**d. Higher paid staff**

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

	<b>2022</b>	2021
	<b>No.</b>	No.
In the band £60,001 - £70,000	<b>8</b>	8
In the band £70,001 - £80,000	<b>4</b>	-
In the band £80,001 - £90,000	<b>2</b>	3
In the band £90,001 - £100,000	-	1
In the band £100,001 - £110,000	<b>2</b>	-
In the band £110,001 - £120,000	<b>1</b>	-
In the band £190,001 - £200,000	<b>1</b>	1

**e. Key management personnel**

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £1,349,623 (2021 - £971,471). The Senior Management Team has increased from 10 members in 2021 to 13 members in 2022.

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**CARLTON ACADEMY TRUST****(A company limited by guarantee)**

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

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**11. Central services**

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

- Finance
- HR
- Facilities and Compliance
- Data
- School Improvement

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

5% of all income

The actual amounts charged during the year were as follows:

	<b>2022</b>	2021
	£	£
Carlton Bolling	<b>574,983</b>	530,856
Carlton Mills (formerly Lister Primary)	<b>91,466</b>	99,221
Marshfield Primary	<b>112,159</b>	97,085
Thorpe Primary	<b>56,716</b>	41,749
Carlton Keighley (from 1 May 2022)	<b>116,713</b>	-
<b>Total</b>	<b>952,037</b>	768,911

**12. Trustees' remuneration and expenses**

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

		<b>2022</b>	2021
		£	£
A Kneeshaw, Chief Executive Officer	Remuneration	<b>190,000 -</b>	190,000 -
		<b>195,000</b>	195,000

A Kneeshaw's remuneration (upon which there are no employer pension contributions) includes, not only pay as Chief Executive Officer at Carlton Academy Trust, but also includes payments to him for his role as executive head at University Academy Keighley for the period before it joined Carlton Academy Trust on 1 May 2022, as disclosed at note 27.

During the year ended 31 August 2022, expenses totalling £3,469 were reimbursed or paid directly to 1 Trustee (2021 - £2,720 to 1 Trustee).

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**CARLTON ACADEMY TRUST****(A company limited by guarantee)**

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

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

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

**14. Tangible fixed assets**

	Long-term leasehold property £	Furniture and equipment £	Motor vehicles £	Total £
<b>Cost or valuation</b>				
At 1 September 2021	-	2,089,016	50,494	2,139,510
Additions	-	87,822	25,552	113,374
Acquired on conversion	32,750,000	246,557	50,557	33,047,114
Disposals	-	(69,452)	-	(69,452)
At 31 August 2022	32,750,000	2,353,943	126,603	35,230,546
<b>Depreciation</b>				
At 1 September 2021	-	812,953	11,640	824,593
Charge for the year	444,333	509,860	16,190	970,383
On disposals	-	(36,246)	-	(36,246)
At 31 August 2022	444,333	1,286,567	27,830	1,758,730
<b>Net book value</b>				
At 31 August 2022	32,305,667	1,067,376	98,773	33,471,816
At 31 August 2021	-	1,276,063	38,854	1,314,917



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**CARLTON ACADEMY TRUST****(A company limited by guarantee)**

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

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**15. Debtors**

	2022	2021
	£	£
<b><i>Due within one year</i></b>		
Trade debtors	9,665	97,452
Other debtors	349,032	147,969
Prepayments and accrued income	4,382,018	430,671
	<u>4,740,715</u>	<u>676,092</u>

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

	2022	2021
	£	£
Other taxation and social security	298,345	258,440
Other creditors	2,766	20,554
Accruals and deferred income	102,310	94,684
	<u>403,421</u>	<u>373,678</u>
	2022	2021
	£	£
Deferred income at 1 September 2021	56,929	-
Resources deferred during the year	60,102	56,929
Amounts released from previous periods	(56,929)	-
	<u>60,102</u>	<u>56,929</u>

At the balance sheet date, the Academy Trust was holding UIFSM received in advance of £60,102.

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**17. Statement of funds**

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
<b><i>Unrestricted funds</i></b>						
General funds	2,373,603	2,548,948	(1,619,660)	-	-	3,302,891
<b><i>Restricted general funds</i></b>						
General Annual Grant (GAG)	501,929	16,258,513	(13,928,929)	(12,131)	-	2,819,382
Pupil Premium	155,489	1,094,690	(1,036,105)	-	-	214,074
UIFSM	-	116,518	(116,518)	-	-	-
Other DfE/ESFA grants	49,664	1,090,309	(629,426)	-	-	510,547
PE and Sports grant	-	56,270	(56,270)	-	-	-
Early Years	-	134,940	(134,940)	-	-	-
SLT	-	153,934	(153,934)	-	-	-
Recovery Premium	-	152,063	(121,581)	-	-	30,482
Restricted funds transferred on conversion from single academy trust	-	1,976,182	-	-	-	1,976,182
Pension reserve	(6,902,000)	(1,186,000)	(1,188,000)	-	7,993,000	(1,283,000)
	<b>(6,194,918)</b>	<b>19,847,419</b>	<b>(17,365,703)</b>	<b>(12,131)</b>	<b>7,993,000</b>	<b>4,267,667</b>
<b><i>Restricted fixed asset funds</i></b>						
Fixed assets transferred on conversion	1,007,265	9,712,114	(956,030)	12,131	-	9,775,480
Capital grants received	307,652	68,037	(14,353)	-	-	361,336

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*FOR THE YEAR ENDED 31 AUGUST 2022*

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

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Revaluation of fixed assets	-	23,335,000	-	-	-	23,335,000
	<u>1,314,917</u>	<u>33,115,151</u>	<u>(970,383)</u>	<u>12,131</u>	<u>-</u>	<u>33,471,816</u>
<b>Total Restricted funds</b>	<u>(4,880,001)</u>	<u>52,962,570</u>	<u>(18,336,086)</u>	<u>-</u>	<u>7,993,000</u>	<u>37,739,483</u>
<b>Total funds</b>	<u><u>(2,506,398)</u></u>	<u><u>55,511,518</u></u>	<u><u>(19,955,746)</u></u>	<u><u>-</u></u>	<u><u>7,993,000</u></u>	<u><u>41,042,374</u></u>

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

The General Annual Grant (GAG) has been provided by the ESFA in order to fund the normal running costs of the academy trust. The carried forward balance will be applied in future years to enable the establishment of a minimum prudent level of reserves to manage risks and unforeseen costs.

Other ESFA grants are allocated against the particular purpose for which they are provided.

The restricted pension reserve represents the deficit in the trust's share of the Local Government Pension Scheme as at 31 August 2022.

Restricted fixed asset funds represent the value of the tangible fixed assets and funds allocated for future capital projects.

Other restricted funds relate to funds held on behalf of Carlton Academy trust for specific activities governed by the terms of the grant.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2022.

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

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

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
<b><i>Unrestricted funds</i></b>						
General funds	1,629,983	1,944,539	(1,200,919)	-	-	2,373,603
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b><i>Restricted general funds</i></b>						
General Annual Grant (GAG)	422,168	12,368,312	(12,178,408)	(110,143)	-	501,929
Pupil Premium	-	878,646	(723,157)	-	-	155,489
Teachers Pay Grants	-	552,704	(552,704)	-	-	-
Covid Catch Up	-	180,340	(180,340)	-	-	-
UIFSM	-	142,240	(142,240)	-	-	-
Other DfE/ESFA grants	-	144,629	(94,965)	-	-	49,664
Special Educational Needs	-	229,462	(229,462)	-	-	-
Local authority grants	-	272,217	(272,217)	-	-	-
Coronavirus Job Retention Scheme grants	-	6,454	(6,454)	-	-	-
Other government grants	-	52,200	(52,200)	-	-	-
Pension reserve	(3,720,000)	(1,813,000)	(873,000)	-	(496,000)	(6,902,000)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	(3,297,832)	13,014,204	(15,305,147)	(110,143)	(496,000)	(6,194,918)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b><i>Restricted fixed asset funds</i></b>						

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

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

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Fixed assets transferred on conversion	981,224	429,780	(361,624)	-	-	1,049,380
Capital grants received	163,628	52,240	(60,474)	110,143	-	265,537
	<u>1,144,852</u>	<u>482,020</u>	<u>(422,098)</u>	<u>110,143</u>	<u>-</u>	<u>1,314,917</u>
<b>Total Restricted funds</b>	<u>(2,152,980)</u>	<u>13,496,224</u>	<u>(15,727,245)</u>	<u>-</u>	<u>(496,000)</u>	<u>(4,880,001)</u>
<b>Total funds</b>	<u><u>(522,997)</u></u>	<u><u>15,440,763</u></u>	<u><u>(16,928,164)</u></u>	<u><u>-</u></u>	<u><u>(496,000)</u></u>	<u><u>(2,506,398)</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**17. Statement of funds (continued)****Total funds analysis by academy**

Fund balances at 31 August 2022 were allocated as follows:

	<b>2022</b>	2021
	£	£
Carlton Bolling	<b>3,119,627</b>	2,489,722
Carlton Mills (formerly Lister Primary)	<b>301,996</b>	212,478
Marshfield Primary	<b>278,460</b>	231,776
Thorpe Primary	<b>(70,938)</b>	(42,633)
Central Services	<b>963,111</b>	189,342
Carlton Keighley	<b>4,261,302</b>	-
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	<b>8,853,558</b>	3,080,685
Restricted fixed asset fund	<b>33,471,816</b>	1,314,917
Pension reserve	<b>(1,283,000)</b>	(6,902,000)
	<hr/>	<hr/>
<b>Total</b>	<b>41,042,374</b>	(2,506,398)
	<hr/> <hr/>	<hr/> <hr/>

The following academy is carrying a net deficit on its portion of the funds as follows:

	<b>Deficit</b>
	£
Thorpe Primary	<b>70,938</b>
	<hr/> <hr/>

The Academy Trust is taking the following action to return the academy to surplus:

Thorpe Primary transferred into the Trust with a historic deficit. Staffing restructures have now been completed which have contributed to the in year deficit however this will lead to staffing cost savings in future years which will in time return the school to a surplus.

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

**Total cost analysis by academy**

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2022 £	Total 2021 £
Carlton Bolling	7,061,796	1,215,505	546,125	1,089,213	<b>9,912,639</b>	10,421,725
Carlton Mills (formerly Lister Primary)	1,090,333	181,003	97,403	228,707	<b>1,597,446</b>	1,762,996
Marshfield Primary	1,322,610	233,692	140,494	303,327	<b>2,000,123</b>	1,676,887
Thorpe Primary	731,608	130,305	73,310	154,641	<b>1,089,864</b>	887,180
Carlton Keighley	990,899	266,688	55,572	638,495	<b>1,951,654</b>	-
Central services	851,606	1,345,592	80,654	155,785	<b>2,433,637</b>	1,757,278
<b>Academy Trust</b>	<b>12,048,852</b>	<b>3,372,785</b>	<b>993,558</b>	<b>2,570,168</b>	<b>18,985,363</b>	16,506,066

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

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

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	-	33,471,816	<b>33,471,816</b>
Current assets	3,706,312	5,550,667	-	<b>9,256,979</b>
Creditors due within one year	(403,421)	-	-	<b>(403,421)</b>
Provisions for liabilities and charges	-	(1,283,000)	-	<b>(1,283,000)</b>
<b>Total</b>	<b>3,302,891</b>	<b>4,267,667</b>	<b>33,471,816</b>	<b>41,042,374</b>

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**18. Analysis of net assets between funds (continued)****Analysis of net assets between funds - prior year**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	1,314,917	1,314,917
Current assets	2,747,281	707,082	-	3,454,363
Creditors due within one year	(373,678)	-	-	(373,678)
Provisions for liabilities and charges	-	(6,902,000)	-	(6,902,000)
<b>Total</b>	<b>2,373,603</b>	<b>(6,194,918)</b>	<b>1,314,917</b>	<b>(2,506,398)</b>

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

	2022 £	2021 £
Net income/(expenditure) for the year (as per Statement of financial activities)	<b>35,555,772</b>	(1,487,401)
<b>Adjustments for:</b>		
Depreciation	<b>970,383</b>	422,098
Interest receivable	<b>(536)</b>	(429)
Defined benefit pension scheme obligation inherited	<b>1,186,000</b>	1,813,000
Defined benefit pension scheme cost less contributions payable	<b>1,057,000</b>	789,000
Defined benefit pension scheme finance cost	<b>131,000</b>	84,000
Increase in debtors	<b>(4,064,623)</b>	(63,749)
Increase in creditors	<b>29,743</b>	197,697
Fixed assets donated on conversion and transfer from single academy trust	<b>(33,047,114)</b>	(366,509)
Loss on disposal of fixed assets	<b>33,206</b>	-
<b>Net cash provided by operating activities</b>	<b>1,850,831</b>	1,387,707



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**20. Cash flows from investing activities**

	2022	2021
	£	£
Interest receivable	536	429
Purchase of tangible fixed assets	(113,374)	(310,054)
<b><i>Net cash used in investing activities</i></b>	<b><u>(112,838)</u></b>	<b><u>(309,625)</u></b>

**21. Analysis of cash and cash equivalents**

	2022	2021
	£	£
Cash in hand and at bank	4,516,264	2,778,271
<b><i>Total cash and cash equivalents</i></b>	<b><u>4,516,264</u></b>	<b><u>2,778,271</u></b>

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

	At 1 September 2021	Cash flows	At 31 August 2022
	£	£	£
Cash at bank and in hand	2,778,271	1,737,993	4,516,264
	<b><u>2,778,271</u></b>	<b><u>1,737,993</u></b>	<b><u>4,516,264</u></b>

**23. Pension commitments**

The Academy Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by West Yorkshire Pension Fund. 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.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

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**23. 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 £1,449,641 (2021 - £1,067,890).

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 Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy Trust has set out above the information available on the scheme.

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**23. 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 2022 was £633,000 (2021 - £575,000), of which employer's contributions totalled £471,000 (2021 - £429,000) and employees' contributions totalled £162,000 (2021 - £146,000). The agreed contribution rates for future years are between 11.5 per cent and 16.4 per cent for employers and between 5.5 per cent and 12.5 per cent for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of 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>2022</b>	2021
	%	%
Rate of increase in salaries	<b>3.95</b>	3.85
Rate of increase for pensions in payment/inflation	<b>2.70</b>	2.60
Discount rate for scheme liabilities	<b>4.00</b>	1.70
Inflation assumption (CPI)	<b>2.70</b>	2.60
Inflation assumption (RPI)	<b>2.70</b>	2.60

**Allowance for high inflation between 30 September 2021 and 31 August 2022**

A gain (or loss) is recognised in the Defined Benefit Obligation (DBO) when actual pension increases are lower (or higher) than those assumed. The policy to date has been to recognise the pension increase order laid during the relevant accounting period. The last pension increase order was 3.1% in April 2022, and this has been allowed for in these figures. However, due to current levels of high inflation the actuary has been instructed to also make an allowance in the DBO for the expected impact of CPI inflation on the pension increase order for April 2023. This is a change in accounting policy from previous years. It is expected that the April 2023 pension increase order will reflect CPI inflation for the year ending 30 September 2022.

Therefore the actuary has allowed for a loss arising due to high inflation since 30 September 2021, in addition to the loss arising from the April 2022 pension increase order. They have allowed for actual CPI inflation for the period 30 September 2021 to 30 June 2022 of 8.4%, noting that the CPI inflation assumption at the accounting date is lagged 2 months so captures inflation for July and August 2022.

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

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**23. Pension commitments (continued)**

	<b>2022</b>	2021
	<b>Years</b>	Years
Retiring today		
Males	<b>21.8</b>	21.9
Females	<b>24.6</b>	24.7
Retiring in 20 years		
Males	<b>22.5</b>	22.6
Females	<b>25.7</b>	25.8

**Sensitivity analysis**

	<b>2022</b>	2021
	<b>£000</b>	£000
Discount rate +0.1%	<b>13,262</b>	13,084
Discount rate -0.1%	<b>14,068</b>	13,879
Mortality assumption - 1 year increase	<b>13,262</b>	13,987
Mortality assumption - 1 year decrease	<b>14,054</b>	12,963
CPI rate +0.1%	<b>13,726</b>	13,556
CPI rate -0.1%	<b>13,590</b>	13,394

**Share of scheme assets**

The Academy Trust's share of the assets in the scheme was:

	<b>At 31 August</b>	At 31 August
	<b>2022</b>	2021
	<b>£</b>	£
Equities	<b>9,887,000</b>	5,271,000
Gilts	<b>792,000</b>	526,000
Corporate bonds	<b>532,000</b>	289,000
Property	<b>483,000</b>	250,000
Cash and other liquid assets	<b>495,000</b>	145,000
Other	<b>186,000</b>	92,000
<b>Total market value of assets</b>	<b>12,375,000</b>	6,573,000

The actual return on scheme assets was £59,000 (2021 - £975,000).

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**23. Pension commitments (continued)**

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

	2022 £	2021 £
Current service cost	1,520,000	1,218,000
Past service cost	8,000	-
Interest cost	131,000	84,000
<b>Total amount recognised in the Statement of Financial Activities</b>	<b>1,659,000</b>	<b>1,302,000</b>

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

	2022 £	2021 £
<b>At 1 September</b>	<b>13,475,000</b>	<b>7,162,000</b>
Interest cost	277,000	169,000
Employee contributions	162,000	146,000
Actuarial (gains)/losses	(8,080,000)	1,386,000
Benefits paid	(117,000)	(14,000)
Current service cost	1,520,000	1,218,000
Net increase in liabilities from disposals/acquisitions	6,413,000	3,408,000
Past service cost	8,000	-
<b>At 31 August</b>	<b>13,658,000</b>	<b>13,475,000</b>

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

	2022 £	2021 £
<b>At 1 September</b>	<b>6,573,000</b>	<b>3,442,000</b>
Interest income	146,000	85,000
Actuarial (losses)/gains	(87,000)	890,000
Employer contributions	471,000	429,000
Employee contributions	162,000	146,000
Benefits paid	(117,000)	(14,000)
Net increase in assets from disposals/acquisitions	5,227,000	1,595,000
<b>At 31 August</b>	<b>12,375,000</b>	<b>6,573,000</b>

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**24. Operating lease commitments**

At 31 August 2022 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	<b>2022</b>	2021
	£	£
Not later than 1 year	<b>60,700</b>	7,800
Later than 1 year and not later than 5 years	<b>81,294</b>	7,500
	<u><b>141,994</b></u>	<u>15,300</u>

**25. 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.

**26. Related party transactions**

Owing to the nature of the Academy Trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academy Trust 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 Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

**University Academy Keighley - Common Trustees**

The Trust has a Service Level Agreement with University Academy Keighley. During the year, the charges made to University Academy Keighley to cover the Service Level Agreement were £194,215 (2021 - £262,998). Further to this, the academy trust seconded staff to University Academy Keighley making charges of £111,358 (2021 - £213,498). All charges in the year relate to the period up to 1 May 2022 at which point University Academy Keighley transferred into the Trust.

**Anita Riedel - Spouse of A Kneeshaw, Chief Executive Officer**

During the year, Anita Riedel, a Recruitment Consultant, provided services for the Trust. The engagement was made in open competition and A Kneeshaw was not involved in the decision making process. The charges to the Trust in the year totalled £18,000 (2021 - £nil).

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 Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

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**27. Transfer of existing academies into the academy trust****Carlton Keighley (formerly University Academy Keighley)**

	Value reported by transferring trust £	Fair value adjustments £	Transfer in recognised £
<b><i>Intangible assets</i></b>			
<b><i>Tangible fixed assets</i></b>			
Long-term leasehold property	-	9,415,000	<b>9,415,000</b>
Furniture and equipment	60,946	-	<b>60,946</b>
Computer equipment	185,611	-	<b>185,611</b>
Motor vehicles	50,557	-	<b>50,557</b>
<b><i>Current assets</i></b>			
Stocks	2,605	-	<b>2,605</b>
Debtors due within one year	464,085	-	<b>464,085</b>
Cash at bank and in hand	4,122,322	-	<b>4,122,322</b>
<b><i>Liabilities</i></b>			
Creditors due within one year	(565,388)	-	<b>(565,388)</b>
<b><i>Pensions</i></b>			
Pensions - pension scheme assets	5,227,000	-	<b>5,227,000</b>
Pensions - pension scheme liabilities	(6,413,000)	-	<b>(6,413,000)</b>
<b><i>Net assets</i></b>			
	<u>3,134,738</u>	<u>9,415,000</u>	<u><b>12,549,738</b></u>