

PEAK EDGE

(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

PEAK EDGE

(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details	1
Trustees' report	2 - 10
Governance statement	11 - 14
Statement on regularity, propriety and compliance	15
Statement of Trustees' responsibilities	16
Independent auditors' report on the financial statements	17 - 20
Independent reporting accountant's report on regularity	21 - 22
Statement of financial activities incorporating income and expenditure account	23 - 24
Balance sheet	25 - 26
Statement of cash flows	27
Notes to the financial statements	28 - 57

PEAK EDGE**(A company limited by guarantee)**

REFERENCE AND ADMINISTRATIVE DETAILS

Members	David Cates Paul Houghton John Lovell
Trustees	David Cates, Chair Elizabeth Cutting Dan Andrews Julie Vincent
Company registered number	11650747
Company name	Peak Edge
Principal and registered office	Oughtibridge Primary School Naylor Road Sheffield South Yorkshire S35 0HG
Chief executive officer and Accounting officer	Jim Dugmore
Senior management team	Jim Dugmore, CEO and Headteacher at Oughtibridge Yvette Hawksworth, CFO Steven Arbon-Davis, Headteacher at Nook Lane Sarah Binns, Headteacher at Stannington James Connolly, Headteacher at Loxley Helen Adams, Headteacher at Bradfield Matthew Gaughan, Headteacher at Wharnccliffe
Independent auditors	BHP LLP 2 Rutland Park Sheffield South Yorkshire S10 2PD

PEAK EDGE

(A company limited by guarantee)

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

The academy trust operates six primary schools serving catchment areas in North-West Sheffield which all converted to Academy status and joined the trust on 1 May 2019. They have a combined pupil capacity of 1,325 and had a roll of 1,324 in the school census at October 2021.

Structure, governance and management***a. Constitution***

The academy trust is a charitable company limited by guarantee and an exempt charity.

The Trustees of Peak Edge are also the directors of the charitable company for the purposes of company law.

The charitable company is known as Peak Edge.

Details of the Trustees who served during the year, and to the date of 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. Method of recruitment and appointment or election of Trustees

The management of the academy trust is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

d. Policies adopted for the induction and training of Trustees

New Trustees are inducted by the Board through the support of experienced Trustees.

PEAK EDGE

(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management (continued)

e. Organisational structure

The Trustee Board is responsible for agreeing all policies covering Personnel, Health and Safety, Curriculum and Financial aspects of the work of all academies with Peak Edge although in practice some policies may be set at academy level depending on the Scheme of Delegation, which relates to individual school performance. Policies set at individual academy level are reviewed and agreed by Trustees periodically.

The full Trustee Board currently meets at least once every half term and is considered a full Board meeting at every occurrence. The Board's Finance and Audit committee meets on the same schedule. The Board has also constituted a Headteacher Board, which focuses on academy matters, which meets at least monthly. The day to day running of the academies is delegated by the Trustee Board to the respective Local Governing Board and Headteacher of each academy, as set out in the Trust Scheme of Delegation.

The Trustees also comprise the Finance and Audit committee:

Dan Andrews – Chair of the Finance and Audit committee
Jim Dugmore – Chief Executive Officer and Accounting Officer
Yvette Hawksworth – Chief Financial Officer
Sarah Binns – Headteacher, Stannington Infant School
David Cates
Elizabeth Cutting
Julie Vincent

The Headteachers of the Academies comprise the Headteacher Board:

Jim Dugmore – Chief Executive Officer and Accounting Officer/ Headteacher Oughtibridge Primary
Helen Adams – Headteacher, Bradfield Dungworth Primary
James Connolly – Headteacher, Loxley Primary
Steven Arbon-Davis – Headteacher, Nook Lane Junior
Sarah Binns, Headteacher, Stannington Infant
Matt Gaughan, Headteacher, Wharncliffe Side Primary

The Headteacher Board bears the responsibilities to:

- Discuss and co-ordinate operational matters arising across the Academies
- Co-ordinate inter-academy support and challenge in line with School Improvement Plans
- Make recommendations about Trust Policies
- Act as liaisons between the Trustee Board and Local Governing Boards
- Consider and advise upon safeguarding incidents, proceeding any areas of concern to Trustee level when required
- Consider and advise upon staffing matters between academies

PEAK EDGE

(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management (continued)

f. Arrangements for setting pay and remuneration of key management personnel

The Trust employs key management personnel to facilitate the work of the Trust. The key management personnel have an annual performance management review carried out by an expert in that particular field. The findings of these reviews are then used as a foundation for remuneration discussions within a prescribed pay banding. The remuneration proposals are then agreed by the Local Governing Board. The CEO's remuneration package is agreed in consultation with the Trustee Board. The remuneration package was benchmarked against the salary of other CEO's within Multi Academy Trusts of a similar size and with the support of officers from Capita Human Resources. The salary of the Chief Financial Officer was benchmarked using the Sheffield Local Authority Pay and Grading system and adheres to the framework set out for Sheffield Schools. Final remuneration packages are agreed by Trustees. Performance management of these roles are undertaken on an annual basis.

PEAK EDGE

(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Objectives and activities

a. Objects and aims

Peak Edge is based in North West Sheffield and was established in 2019 as a partnership between like minded partner schools with excellence at the heart of all that we do. The schools in the family share the same intention of ensuring every pupil we serve reaches their full potential and have track records of not only working together but providing school to school support across the city and beyond.

We believe every young person has the right to an excellent education, to feel safe and enjoy stimulating learning that inspires them. We aim to fully prepare them for the next stage of their life.

We are committed to supporting the schools led system and are committed as a group to deeper collaboration. Peak Edge brings schools together and provide a foundation for further growth by sharing our strengths while maintaining our individual characteristics.

Peak Edge prides itself on having high expectations of our pupils, staff and academies. Everyone involved with Peak Edge subscribes to the same core values and moral purpose so that we can best support each other and help our adults to develop alongside our young people.

These are:

- Trust - We respect the individuality of schools and their communities and always act with integrity. By allowing high levels of autonomy wherever possible, we are able to nurture personalised approaches to learning and focus on developing holistic people.
- Collaboration - Our Trust is based on positive relationships and close working across settings. Stakeholders treat each other with respect and work in productive partnerships that work for the greater good of the children.
- Ambition - We aspire for all children and adults in our communities to be the best they can be. Inspiring curricula for our pupils, clear development pathways for our staff and sustainable Trust growth all combine to ensure we all reach our potential.
- Responsibility - A school understands its context better than anybody and should be supported to utilise that knowledge in order to remain improvement focused. We account for our actions and are outward facing.
- Innovation - Enjoyment and excitement should be an entitlement for all children and adults working in our Trust. We develop cutting edge, research informed and highly engaging pedagogies that ensure high levels of progress for children and rapid development of staff.

PEAK EDGE

(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Strategic report

Achievements and performance

a. Key performance indicators

Due to the cancellation of tests as a result of the COVID-19 pandemic, no SATs data is available for this reporting period. However, Teacher Assessment outcomes identified a positive picture across the Trust. We are certain that whole trust data would have evidenced outcomes above national average for both attainment and progress at all key assessment points.

Whilst the impact of COVID-19 impacted significantly on the wider strategic plan, Peak Edge still developed leadership teams over last year in all schools to ensure they are 'Ofsted ready'. This has included:

- Ensuring 'preparedness' for the new Ofsted framework, developing subject leaders of the wider curriculum and continued coaching of senior leaders/core subject leaders through our review model.
- Facilitating practice sharing across the academies, with staff across all schools to develop a clear knowledge, skills, vocabulary curriculum in line with the new Ofsted framework.
- Ensuring that staff are trained to teach in a way that ensures knowledge is correctly sequence and worked with subject leaders to ensure the content of their curriculums are well matched to the needs of pupils in the school, thus ensuring that children know and remember more.
- Centralising further a number of procurement streams to ensure best value for all schools.
- Realigning the strategic plan from March onwards to ensure that home working provision was fit for purpose, whilst at the same time ensuring in school provision for key worker and vulnerable children was engaging in a safe environment for both pupils and staff.
- Ensuring all Trust schools remained open during the COVID 19 pandemic, providing care for the children of keyworkers and vulnerable children. All schools remained open throughout the year and were ready to move to immediate remote provision for some pupils when lockdowns were declared.
- Ensuring innovative practice was embedded to support pupils at home and in school, and achieving rapid catch up with the majority of pupils.

b. Going concern

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

PEAK EDGE

(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Strategic report (continued)

Financial review

a. Investment policy

The trust has no investments and retains funds in a central account.

b. Principal risks and uncertainties

Peak Edge is developing and reviewing its risk register and business continuity plan to help mitigate the main risks and uncertainties it faces.

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

Strategic:

- An academy in the trust receiving a negative Ofsted outcome – mitigated by shared development between academies and monitoring arrangements for the trust.
- Uncontrollable events e.g. fire, flood – mitigated by renewal of insurance with RPA.
- Change in Government Policy – mitigated by links with the National Society and use of Sheffield LA Legal Team for advice and support.
- Disruption caused by the COVID 19 pandemic and the associated global crisis – mitigated by site based riskassessments and COVID secure operational changes.

Financial:

- Inaccurate or insufficient information.
- Poor cash flow or limited reserves – mitigated by monthly bank reconciliations, budget monitoring and production of cash flow forecasts and academy reserves.
- Unsuitable financial systems – mitigated by expert advice and training to ensure systems meet trust requirements.

c. Review of results

The statement of financial activities for the year ended 31 August 2021 shows a surplus on restricted funds (excluding pension reserve) plus unrestricted funds of £367,262. The trust held funds as at 31 August 2021 of £17,649,533 (2020: £14,472,637) consisting of £17,023,291 (2020: £13,911,783) restricted funds and £626,242 (2020: £560,854) unrestricted funds.

PEAK EDGE

(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

d. Reserves policy

The trust requires each academy to carry forward a prudent level of resources designed to meet the long term cyclical needs of renewal and any other unforeseen contingencies, subject to the constraint that the level of resources does not exceed the level permitted by the DfE.

The Trustees also require a central revenue reserve to be created to fund future expenditure related to the Academy Development Plan's strategic long term aims and developments. The target level for these reserves is 5% to 10% of annual GAG funding and other income, which equates to £530,000 to £1,061,000.

At 31 August 2021 the Trust had free reserves of £1,343,228 (total funds less fixed asset funds, pension reserve and school funds held). Whilst free reserves are greater than the contingency reserves target, the Trust will use free reserves in 2021/2022 to cover budgeted deficits, and evaluate potential projects of a capital nature.

Fundraising

Potential fundraising and external income generation opportunities are regularly discussed at the Headteacher Board meetings. The main sources of fundraising is from grant awarding bodies such as Awards for All. The CFO, Headteachers and Administration staff will share knowledge of available funding and share information of any new grants that are available to schools and that they have successfully applied for.

Plans for future periods

The Trust is now established, with all academies having converted on May 1st 2019. The Trust currently has plans for one more school to join the Trust in 2021/22.

The trust will continue to review major purchase contracts in order to achieve best value for money for all schools within Peak Edge. The savings made on these areas will be reinvested in the front line education of pupils. Internal cost benchmarking will aim to create a hypothetical 'model' school in terms of cost management. This will be used to assess and validate practices that are outside of the 'model'.

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.

PEAK EDGE

(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Disclosure of information to auditors (continued)

Auditors

The auditors, BHP LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

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:


D P Andrews (Dec 16, 2021 14:57 GMT)

Dan Andrews
(Trustee)

Date: 8 December 2021

PEAK EDGE**(A company limited by guarantee)**

GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Peak Edge 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 Peak Edge and the Secretary of State for Education. They are also responsible for reporting to the board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' report and in the statement of trustees' responsibilities. The board of Trustees has formally met 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
David Cates, Chair	6	6
Elizabeth Cutting	6	6
Dan Andrews	6	6
Julie Vincent	6	6

The Finance and Audit committee, which is chaired by Dan Andrews, meets on the same schedule as the Board of Trustees and so the attendance is as above. The purpose of the Board of Trustees is to:

- Support the aims and ethos of the Trust, focusing on the quality and extent of the provision of premises and equipment.
- Advise the Local Governing Boards on strategic priorities for the maintenance and development of the academy's premises and grounds, security and Health and Safety, for inclusion in the School Improvement Plan.
- Establish and implement a repairs and maintenance programme, within the budget established by the governing body, and in accordance with the priorities within the School Improvement Plan.
- Review on an annual basis the school's Health and Safety policy, and approve any amendments as necessary.
- Ensure that the school complies with Health and Safety regulations, in accordance with the Health and Safety policy.
- Review on an annual basis the school's Lettings policy for use of school premises outside school hours and determine the level of charges for such lettings.
- Establish, and keep under review, an Accessibility Plan, which meets the requirements of the Disability Discrimination Act 1995 to oversee the preparation and implementation of appropriate contracts, including the cleaning, grounds maintenance and school meals and ensure best value principles are applied.
- Monitor the quality of service provided by the above in accordance with the agreed contracts.
- Ensure that premises insurance arrangements are adequate.
- Oversee the trust's risk register and internal scrutiny procedures including internal audit.

PEAK EDGE

(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Now that the Trust is established, and following resignations from the Trustee Board, it will be necessary to recruit new Trustees to maintain the balance of skills and expertise on the Board.

Governing Boards, including the Trustee Board, have completed skills audits to ensure that the right skills are available, given Academy and Trust responsibilities and priorities. Where skills gaps have been identified, additional board members have been recruited or suitable training sourced from Learn Sheffield, National Governance Association or The School Bus. Further to this, Chairs of Academy Boards, led by the Trust Chair who is also a National Leader of Governance, have met termly and networked to identify common themes and plan solutions together, including peer-peer support for a school which will hopefully join the Trust shortly. Chairs are also keen to perform reviews of Governance at each other's Academies and we are currently exploring how this could be delivered during 2022/2023.

Over the next year, the Trust Chairs network will meet with greater frequency to allow for more regular information sharing, planning, peer support, accountability and challenge. The skills audit and self-evaluation cycle for both Academy and Trust Boards will be repeated annually. In addition, now the Trust has entered an established phase, we are exploring inviting an external consultant to perform an 'external review of Governance' across the Trust.

Review of value for money

As accounting officer, the Chief Executive Officer 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 where appropriate. The accounting officer for the academy trust has delivered improved value for money during the year by:

- Continuing to provide bursar support for the schools alongside strategic financial planning services.
- Securing RPA insurance, leading to savings on items such as governor liability insurance, buildings and contents insurance etc.
- Securing accountancy and responsible officer visits for all academies.
- Continuing to provide MIS systems, financial planning systems and budget planning systems for all academies.
- Continuing to provide data tracking systems via Tracker+ for all academies.
- Securing staff absence cover for academies, including enhanced wellbeing support for staff.
- Securing Teaching and Learning reviews in all schools led by experts in their field focusing on key priorities which offered diagnostic analysis of school performance but also provided CPD opportunities for staff across the Trust.
- Securing CIF funding of over £7.3 million, supporting fifteen estates projects across the Trust and ensuring health and safety and compliance standards are met and enhanced.
- Continuing to provide and administrate a contract with a meals supplier, saving roughly £100,000 across the Trust.
- Securing a renegotiated IT support contract, leading to all schools making a saving on the previous year.
- Continuing to provide a new agreement with a local supply agency, leading to preferential rates for cover.
- Securing an enhanced HR and Payroll contract, leading to savings in all schools.
- Supporting the delivery of formal networking groups which facilitate sharing of best practice and peer support and challenge at all levels across the Trust (e.g. Headteacher, Deputy Headteacher, EYFS, Year 2 and Year 6 networks).
- Securing an enhanced GDPR service for schools to ensure compliance and mitigate risk.
- Securing an enhanced Health and Safety service for schools to ensure compliance and mitigate risk.

PEAK EDGE

(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money (continued)

To support suppliers considered at risk the Trust has applied PPN 02/20 and PPN 04/20 by continuing to pay for the following services:

- Catering Contract.

The Trust has worked in partnership with their suppliers to discuss contract termination and as appropriate have exited contractual liabilities.

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 Peak Edge for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The board of Trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year 1 September 2020 to 31 August 2021 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 an annual budget and periodic financial reports which are reviewed and agreed by the board of Trustees
- regular reviews by the Finance and General Purposes Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- identification and management of risks

The Board of Trustees has decided to employ Smith Craven as internal auditor.

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

- Review of petty cash
- Review of miscellaneous income
- Review of card transactions
- Review of purchase invoice and order authorisations
- Review of related party transactions

PEAK EDGE

(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

The trust was also provided with advice on non-financial matters by other businesses that included:

- Review of safeguarding procedures
- Review of health and safety guidelines
- Review of GDPR compliance
- Review of curriculum development
- Review of single central record
- Review of provision for disadvantaged learners

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.

On an annual basis, the internal auditor reports to the board of Trustees through the audit committee on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities.

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 work of the external auditors;
- the financial management and governance self-assessment process;
- on discharge of the Board of Trustees financial decisions to help the committee consider actions and assess year on year progress;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

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

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


D P Andrews (Dec 16, 2021 14:57 GMT)

Dan Andrews
Trustee



Jim Dugmore
Accounting Officer

Date: 8 December 2021

PEAK EDGE

(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Peak Edge I have considered my responsibility to notify the academy trust board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy 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 Financial Handbook 2020.

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 Financial Handbook 2020.

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.



Jim Dugmore

Accounting Officer

Date: 8 December 2021

PEAK EDGE**(A company limited by guarantee)**

STATEMENT OF TRUSTEES' RESPONSIBILITIES*FOR THE YEAR ENDED 31 AUGUST 2021*

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 ('ESFA'), 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 2020 to 2021;
- 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:


D P Andrews (Dec 16, 2021 14:57 GMT)

Dan Andrews
(Trustee)

Date: 8 December 2021

PEAK EDGE

(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF PEAK EDGE

Opinion

We have audited the financial statements of Peak Edge (the 'academy trust') for the year ended 31 August 2021 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 2020 to 2021 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 2021 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 2020 to 2021 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.

PEAK EDGE

(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF PEAK EDGE
(CONTINUED)**

Other information

The other information comprises the information included in the Trustees Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Trustees 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 Strategic Report and the Directors' 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' Annual Report including the Strategic Report and the Directors' 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.

PEAK EDGE

(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF PEAK EDGE
(CONTINUED)**

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company 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:

We gained an understanding of the legal and regulatory framework applicable to the trust and the sector in which it operates, and considered the risk of such regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error.

We focused on laws and regulations relevant to the trust which could give rise to a material misstatement in the financial statements. These laws and regulations include, but are not limited to, those issued by or relating to Ofsted, ESFA, GDPR, Safeguarding and Health and Safety. Our testing included discussions with management and directors with direct responsibility for the compliance of laws and regulations, agreeing financial statement disclosures to underlying supporting documentation, reviewing legal expenses and reviewing Ofsted reports. We also reviewed the trusts' website to ensure the required disclosures had been made in line with the Academies Trust Handbook. There are inherent limitations in the audit procedures described and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

As part of our audit, we addressed the risk of management override of internal controls, including testing of journals and review of the nominal ledger. We evaluated whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

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. This description forms part of our Auditors' Report.

PEAK EDGE

(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF PEAK EDGE
(CONTINUED)

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.

Philip Allsop
Philip Allsop (Dec 16, 2021 15:49 GMT)

Philip Allsop (senior statutory auditor)

for and on behalf of

BHP LLP

Chartered Accountants

2 Rutland Park

Sheffield

South Yorkshire

S10 2PD

Date: Dec 16, 2021

PEAK EDGE

(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO PEAK EDGE AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 20 September 2019 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Peak Edge during the year 1 September 2020 to 31 August 2021 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 Peak Edge and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Peak Edge 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 Peak Edge and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Peak Edge's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Peak Edge's funding agreement with the Secretary of State for Education dated 30 April 2019 and the Academies Financial Handbook, extant from 1 September 2020, 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 2020 to 2021. 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 2020 to 31 August 2021 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.

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 undisclosed related party transactions,
- checking that any related party transactions during the period are conducted at 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.

PEAK EDGE

(A company limited by guarantee)

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

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Philip Allsop
Philip Allsop (Dec 16, 2021 15:49 GMT)

Philip Allsop
Reporting Accountant
BHP LLP

Chartered Accountants
2 Rutland Park
Sheffield
South Yorkshire
S10 2PD

Date: Dec 16, 2021

PEAK EDGE

(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:						
Donations and capital grants	3	7,724	-	3,251,965	3,259,689	1,498,925
Charitable activities	4	-	6,975,243	-	6,975,243	6,546,420
Other trading activities	5	150,361	224,402	-	374,763	426,255
Investments	6	203	-	-	203	769
Total income		158,288	7,199,645	3,251,965	10,609,898	8,472,369
Expenditure on:						
Charitable activities	7	92,900	7,265,685	101,417	7,460,002	6,970,949
Total expenditure		92,900	7,265,685	101,417	7,460,002	6,970,949
Net income/(expenditure)		65,388	(66,040)	3,150,548	3,149,896	1,501,420
Transfers between funds	19	-	(30,086)	30,086	-	-
Net movement in funds before other recognised gains		65,388	(96,126)	3,180,634	3,149,896	1,501,420
Other recognised gains:						
Gains on revaluation of fixed assets		-	-	-	-	1,393,880
Actuarial gains on defined benefit pension schemes	25	-	27,000	-	27,000	1,568,000
Net movement in funds		65,388	(69,126)	3,180,634	3,176,896	4,463,300
Reconciliation of funds:						
Total funds brought forward		560,854	(2,298,199)	16,209,982	14,472,637	10,009,337
Net movement in funds		65,388	(69,126)	3,180,634	3,176,896	4,463,300
Total funds carried forward		626,242	(2,367,325)	19,390,616	17,649,533	14,472,637

The Statement of financial activities includes all gains and losses recognised in the year.

PEAK EDGE

(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
(CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

The notes on pages 28 to 57 form part of these financial statements.

PEAK EDGE**(A company limited by guarantee)**REGISTERED NUMBER: 11650747

BALANCE SHEET*AS AT 31 AUGUST 2021*

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	15	18,660,346	15,592,203
		<hr/>	<hr/>
		18,660,346	15,592,203
Current assets			
Debtors	16	307,738	1,212,415
Cash at bank and in hand		2,202,491	2,053,885
		<hr/>	<hr/>
		2,510,229	3,266,300
Creditors: amounts falling due within one year	17	(385,042)	(1,620,866)
		<hr/>	<hr/>
Net current assets		2,125,187	1,645,434
		<hr/>	<hr/>
Total assets less current liabilities		20,785,533	17,237,637
		<hr/>	<hr/>
Net assets excluding pension liability		20,785,533	17,237,637
Defined benefit pension scheme liability	25	(3,136,000)	(2,765,000)
		<hr/>	<hr/>
Total net assets		17,649,533	14,472,637
		<hr/> <hr/>	<hr/> <hr/>
Funds of the academy trust			
Restricted funds:			
Fixed asset funds	19	19,390,616	16,209,982
Restricted income funds	19	768,675	466,801
Pension reserve	19	(3,136,000)	(2,765,000)
		<hr/>	<hr/>
Total restricted funds	19	17,023,291	13,911,783
Unrestricted income funds	19	626,242	560,854
		<hr/>	<hr/>
Total funds		17,649,533	14,472,637
		<hr/> <hr/>	<hr/> <hr/>

PEAK EDGE

(A company limited by guarantee)

BALANCE SHEET (CONTINUED)

AS AT 31 AUGUST 2021

The financial statements on pages 23 to 57 were approved and authorised for issue by the Trustees and are signed on their behalf, by:

D P Andrews
D P Andrews (Dec 16, 2021 14:57 GMT)

Dan Andrews
(Trustee)

Date: 8 December 2021

PEAK EDGE**(A company limited by guarantee)**

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by operating activities	21	65,998	813,646
Cash flows from investing activities	22	82,608	461,182
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		148,606	1,274,828
Cash and cash equivalents at the beginning of the year		2,053,885	779,057
		<hr/>	<hr/>
Cash and cash equivalents at the end of the year	23, 24	2,202,491	2,053,885
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 28 to 57 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

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 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the charity and rounded to the nearest £1.

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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

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.

- **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.

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.

All resources expended are inclusive of irrecoverable VAT.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.5 Tangible fixed assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Depreciation is provided on the following basis:

Long-term leasehold property	-	2%	Straight line
Furniture and equipment	-	25%	Straight line
Computer equipment	-	20%	Straight line

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

1.6 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.

1.7 Cash at bank and in hand

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

1.8 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 2021

1. Accounting policies (continued)

1.9 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 16. Prepayments are not financial instruments. Amounts due to the academy trust are held at face value less any impairment. 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 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the academy trust are held at face value less any impairment.

1.10 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 to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary based on quadrennial valuations using a prospective unit credit method. TPS is an unfunded multiemployer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.11 Fund accounting

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

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

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 25, 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 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

PEAK EDGE**(A company limited by guarantee)**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

3. Income from donations and capital grants

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	7,724	-	14,000	21,724	28,447
Capital grants	-	-	3,237,965	3,237,965	1,490,026
Transfer on conversion	-	-	-	-	(19,548)
Total 2021	7,724	-	3,251,965	3,259,689	1,498,925
Total 2020	17,947	(9,048)	1,490,026	1,498,925	

Transfer on conversion

At 31 August 2019, estimations of the income transferred in on conversion were used as confirmed figures were not available. Upon finalisation of these figures it was observed the estimations were overstated by £19,548, this has therefore been corrected in the financial statements for the year to 31 August 2020.

PEAK EDGE**(A company limited by guarantee)**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

4. Funding for the academy trust's educational operations

	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
<i>DfE/ESFA grants</i>			
General Annual Grant (GAG)	5,318,516	5,318,516	5,115,757
Other DfE/ESFA grants			
Pupil Premium	210,808	210,808	242,862
PE and Sports Grant	106,902	106,902	106,978
UIFSM	208,295	208,295	212,856
Others	441,556	441,556	315,802
	<hr/>	<hr/>	<hr/>
	6,286,077	6,286,077	5,994,255
<i>Other Government grants</i>			
SEN	454,134	454,134	425,334
Early Years Funding	89,241	89,241	74,339
Other LA Income	26,897	26,897	32,452
	<hr/>	<hr/>	<hr/>
	570,272	570,272	532,125
<i>COVID-19 additional funding (DfE/ESFA)</i>			
UIFSM	8,174	8,174	11,440
Catch-up Premium	110,720	110,720	-
	<hr/>	<hr/>	<hr/>
	118,894	118,894	11,440
<i>COVID-19 additional funding (non-DfE/ESFA)</i>			
Coronavirus Job Retention Scheme grant	-	-	8,600
	<hr/>	<hr/>	<hr/>
	-	-	8,600
<i>Total 2021</i>	<hr/> 6,975,243 <hr/>	<hr/> 6,975,243 <hr/>	<hr/> 6,546,420 <hr/>
Total 2020	<hr/> 6,546,420 <hr/>	<hr/> 6,546,420 <hr/>	

PEAK EDGE**(A company limited by guarantee)**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

4. Funding for the academy trust's educational operations (continued)

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department of Education and ESFA, the academy trust's funding for Universal Infant Free School Meals and Pupil Premium is no longer reported under the Other DfE Group grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

The academy received £110,720 of funding for catch-up premium, and costs incurred in respect of this funding totalled £110,720.

5. Income from other trading activities

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Other trading activities	150,361	224,402	374,763	426,255
Total 2020	179,614	246,641	426,255	

6. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Investment income	203	203	769
Total 2020	769	769	

PEAK EDGE**(A company limited by guarantee)**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

7. Expenditure

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £	Total 2020 £
Direct costs	5,299,858	-	419,228	5,719,086	5,336,169
Support costs	791,395	248,819	700,702	1,740,916	1,634,780
Total 2021	6,091,253	248,819	1,119,930	7,460,002	6,970,949
Total 2020	5,689,078	230,289	1,051,582	6,970,949	

8. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Educational operations	5,719,086	1,740,916	7,460,002	6,970,949
Total 2020	5,336,169	1,634,780	6,970,949	

PEAK EDGE**(A company limited by guarantee)**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

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

	Educational operations 2021 £	Total funds 2021 £	Total funds 2020 £
Staff costs	791,395	791,395	777,997
Depreciation	87,417	87,417	29,419
Other staff costs	66,837	66,837	20,701
Technology	141,438	141,438	88,940
Maintenance of premises	248,819	248,819	236,983
Catering	180,935	180,935	230,411
Other support costs	85,837	85,837	100,271
Professional fees	102,280	102,280	123,962
Legal fees	-	-	520
Governance costs (note 9)	35,958	35,958	25,576
Total 2021	1,740,916	1,740,916	1,634,780
Total 2020	1,634,780	1,634,780	

9. Governance costs

	2021 £	2020 £
Audit fees	14,400	13,350
Other non audit services	9,195	6,150
Governor services	12,363	6,076
	35,958	25,576

PEAK EDGE

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2021	2020
	£	£
Depreciation of tangible fixed assets	87,417	29,419
Fees paid to external auditors for:		
- audit	14,400	13,350
- other services	7,095	6,150
	=====	=====

PEAK EDGE**(A company limited by guarantee)**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

11. Staff**a. Staff costs**

Staff costs during the year were as follows:

	2021	2020
	£	£
Wages and salaries	4,370,874	4,097,678
Social security costs	368,219	333,402
Pension costs	1,249,183	1,138,607
	<hr/> 5,988,276	<hr/> 5,569,687
Agency staff costs	102,977	119,391
	<hr/> 6,091,253	<hr/> 5,689,078
	<hr/> <hr/> 6,091,253	<hr/> <hr/> 5,689,078

b. Staff numbers

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

	2021	2020
	No.	No.
Teachers	68	65
Admin and support	145	145
Management	16	16
	<hr/> 229	<hr/> 226
	<hr/> <hr/> 229	<hr/> <hr/> 226

The average headcount expressed as full-time equivalents was:

	2021	2020
	No.	No.
Teachers	48	49
Admin and support	74	70
Management	15	16
	<hr/> 137	<hr/> 135
	<hr/> <hr/> 137	<hr/> <hr/> 135

PEAK EDGE**(A company limited by guarantee)**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

11. Staff (continued)**c. Higher paid staff**

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

	2021	2020
	No.	No.
In the band £60,001 - £70,000	3	2
In the band £70,001 - £80,000	1	2
In the band £100,001 - £110,000	1	-
	<u><u> </u></u>	<u><u> </u></u>

d. 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 £652,224 (2020: £575,324).

PEAK EDGE**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

12. Central services

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

- Bursar and strategic financial services
- Legal support
- Statutory HR
- Pupil data tracking software
- Financial software access
- School improvement support

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

4% of GAG funding at each school

The actual amounts charged during the year were as follows:

	2021	2020
	£	£
Bradfield Dungworth Primary	20,266	10,897
Loxley Primary	32,571	18,107
Nook Lane Junior	43,148	23,432
Oughtibridge Primary	63,450	33,409
Stannington Infant	29,358	16,044
Wharnccliffe Side Primary	32,290	18,112
Total	221,083	120,001

13. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 August 2021, no Trustee expenses have been incurred (2020 - £NIL).

14. 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.

PEAK EDGE**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

15. Tangible fixed assets

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Total £
Cost or valuation				
At 1 September 2020	15,504,912	967	118,743	15,624,622
Additions	3,121,362	7,847	26,351	3,155,560
At 31 August 2021	<u>18,626,274</u>	<u>8,814</u>	<u>145,094</u>	<u>18,780,182</u>
Depreciation				
At 1 September 2020	1,383	74	30,962	32,419
Charge for the year	60,668	800	25,949	87,417
At 31 August 2021	<u>62,051</u>	<u>874</u>	<u>56,911</u>	<u>119,836</u>
Net book value				
At 31 August 2021	<u>18,564,223</u>	<u>7,940</u>	<u>88,183</u>	<u>18,660,346</u>
At 31 August 2020	<u>15,503,529</u>	<u>893</u>	<u>87,781</u>	<u>15,592,203</u>

The properties are held at current market value. Valuations were carried out by Release Property Consultancy Limited throughout January 2020.

16. Debtors

	2021 £	2020 £
Due within one year		
Trade debtors	-	11,446
Prepayments and accrued income	164,932	832,574
Tax recoverable	142,806	368,395
	<u>307,738</u>	<u>1,212,415</u>

PEAK EDGE**(A company limited by guarantee)**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

17. Creditors: Amounts falling due within one year

	2021	2020
	£	£
Trade creditors	73,648	1,210,808
Other taxation and social security	87,600	75,961
Other creditors	47,591	28,816
Accruals and deferred income	176,203	305,281
	<hr/> 385,042 <hr/>	<hr/> 1,620,866 <hr/>

18. Accruals and deferred income

	2021	2020
	£	£
Deferred income at 1 September 2020	268,408	222,891
Resources deferred during the year	176,203	268,408
Amounts released from previous periods	(268,408)	(222,891)
<i>Deferred income at 31 August 2021</i>	<hr/> 176,203 <hr/>	<hr/> 268,408 <hr/>

At the financial year end £176,203 (2020: £268,408) was recognised in deferred income in relation to income received which relates to the following financial year. This consisted of £121,509 (2020: £125,268) of UIFSM funding, £54,694 (2020: £26,898) of awkward year group funding, £NIL (2020: £57,303) of growth funding, and £NIL (2020: £58,939) of IR top up funding.

PEAK EDGE

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

19. Statement of funds

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds						
General Funds	560,854	158,288	(92,900)	-	-	626,242
Restricted general funds						
GAG	409,587	5,318,516	(4,981,031)	(30,086)	-	716,986
Pupil premium	-	210,808	(210,808)	-	-	-
UIFSM	-	216,469	(216,469)	-	-	-
School fund	57,214	8,836	(14,361)	-	-	51,689
SEN	-	454,134	(454,134)	-	-	-
Early Years Funding	-	89,241	(89,241)	-	-	-
Other Dfe/ ESFA income	-	686,075	(686,075)	-	-	-
Other	-	215,566	(215,566)	-	-	-
Pension reserve	(2,765,000)	-	(398,000)	-	27,000	(3,136,000)
	(2,298,199)	7,199,645	(7,265,685)	(30,086)	27,000	(2,367,325)
Restricted fixed asset funds						
Fixed asset fund	15,592,203	14,000	(101,417)	3,155,560	-	18,660,346
DFC/ CIF funding	617,779	3,237,965	-	(3,125,474)	-	730,270
	16,209,982	3,251,965	(101,417)	30,086	-	19,390,616
Total Restricted funds	13,911,783	10,451,610	(7,367,102)	-	27,000	17,023,291
Total funds	14,472,637	10,609,898	(7,460,002)	-	27,000	17,649,533

PEAK EDGE

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

19. Statement of funds (continued)

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

General Annual Grant (GAG): The GAG income must be used for the normal running costs of the Academy.

Pupil Premium: DfE funding to address the current underlying inequalities between children eligible for free school meals (FSM) and their wealthier peers by ensuring that funding to tackle the disadvantage reaches the pupils who need it most.

UIFSM: To support schools in delivering the legal requirement to offer free school meals to all pupils in reception, year 1 and year 2.

School Fund: Funds raised by schools for specific projects or purposes including balances on school funds transferred in by the schools on conversion.

SEN: Specific funding for high needs pupils.

Early years funding: To deliver early education.

Other Dfe/ ESFA income: Funds received restricted for specific use by the Academy for educational purposes.

Other restricted income: Funds received by the Academy to be spent on specific projects.

Pension reserve: The deficit on the Local Government Pension Scheme has been recognised against restricted funds in order to match it against GAG as recommended by the EFA Accounts Direction.

Restricted fixed asset funds: Restricted funds set aside for capital items.

PEAK EDGE**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

19. Statement of funds (continued)

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 2021.

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

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
<i>Unrestricted funds</i>						
General Funds	444,547	198,330	(71,523)	(10,500)	-	560,854
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<i>Restricted general funds</i>						
GAG	224,311	5,115,757	(4,889,797)	(40,684)	-	409,587
Pupil premium	-	242,862	(242,862)	-	-	-
UIFSM	-	224,296	(224,296)	-	-	-
School fund	82,949	27,350	(15,943)	(37,142)	-	57,214
SEN	-	425,334	(425,334)	-	-	-
Early Years Funding	-	74,339	(74,339)	-	-	-
Other	12,361	674,075	(686,436)	-	-	-
Pension reserve	(4,022,000)	-	(311,000)	-	1,568,000	(2,765,000)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	(3,702,379)	6,784,013	(6,870,007)	(77,826)	1,568,000	(2,298,199)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<i>Restricted fixed asset funds</i>						
Fixed asset fund	13,228,298	-	(29,419)	999,444	-	14,198,323
DFC/ CIF funding	38,871	1,490,026	-	(911,118)	-	617,779
Fixed asset revaluation	-	-	-	-	1,393,880	1,393,880
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	13,267,169	1,490,026	(29,419)	88,326	1,393,880	16,209,982
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

PEAK EDGE**(A company limited by guarantee)**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

19. Statement of funds (continued)

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
<i>Total Restricted funds</i>	9,564,790	8,274,039	(6,899,426)	10,500	2,961,880	13,911,783
<i>Total funds</i>	10,009,337	8,472,369	(6,970,949)	-	2,961,880	14,472,637

PEAK EDGE**(A company limited by guarantee)**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

19. Statement of funds (continued)**Total funds analysis by academy**

Fund balances at 31 August 2021 were allocated as follows:

	2021	2020
	£	£
Peak Edge	92,385	57,008
Bradfield Dungworth Primary	144,003	121,250
Loxley Primary	257,377	211,702
Nook Lane Junior	249,596	96,615
Oughtibridge Primary	280,535	246,922
Stannington Infant	110,515	125,284
Wharnccliffe Side Primary	260,506	168,874
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	1,394,917	1,027,655
Restricted fixed asset fund	19,390,616	16,209,982
Pension reserve	(3,136,000)	(2,765,000)
	<hr/>	<hr/>
Total	17,649,533	14,472,637
	<hr/> <hr/>	<hr/> <hr/>

PEAK EDGE**(A company limited by guarantee)**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

19. 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 2021 £	Total 2020 £
Peak Edge	376,964	64,484	2,750	161,192	605,390	110,955
Bradfield Dungworth Primary	453,438	78,704	23,757	113,821	669,720	613,720
Loxley Primary	710,912	76,432	21,143	129,391	937,878	953,172
Nook Lane Junior	938,575	139,002	23,308	116,591	1,217,476	1,307,791
Oughtibridge Primary	1,391,855	234,656	38,517	309,131	1,974,159	1,911,832
Stannington Infant	584,042	92,735	37,388	163,505	877,670	878,712
Wharnccliffe Side Primary	844,072	105,382	18,847	107,991	1,076,292	1,165,348
Academy trust	5,299,858	791,395	165,710	1,101,622	7,358,585	6,941,530

PEAK EDGE**(A company limited by guarantee)**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

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

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	18,660,346	18,660,346
Current assets	626,242	1,153,717	730,270	2,510,229
Creditors due within one year	-	(385,042)	-	(385,042)
Provisions for liabilities and charges	-	(3,136,000)	-	(3,136,000)
Total	626,242	(2,367,325)	19,390,616	17,649,533

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	15,592,203	15,592,203
Current assets	588,835	2,059,686	617,779	3,266,300
Creditors due within one year	(27,981)	(1,592,885)	-	(1,620,866)
Provisions for liabilities and charges	-	(2,765,000)	-	(2,765,000)
Total	560,854	(2,298,199)	16,209,982	14,472,637

PEAK EDGE**(A company limited by guarantee)**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

21. Reconciliation of net income to net cash flow from operating activities

	2021 £	2020 £
Net income for the year (as per statement of financial activities)	3,149,896	1,501,420
Adjustments for:		
Depreciation	87,417	29,419
Capital grants from DfE and other capital income	(3,237,965)	(1,490,026)
Interest receivable	(203)	(769)
Defined benefit pension scheme adjustment	398,000	311,000
Decrease/(increase) in debtors	904,677	(582,357)
(Decrease)/increase in creditors	(1,235,824)	1,044,959
Net cash provided by operating activities	65,998	813,646

22. Cash flows from investing activities

	2021 £	2020 £
Purchase of tangible fixed assets	(3,155,560)	(1,029,613)
Interest receivable	203	769
Capital grants from DfE and other capital income	3,237,965	1,490,026
Net cash provided by investing activities	82,608	461,182

23. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand and at bank	2,202,491	2,053,885
Total cash and cash equivalents	2,202,491	2,053,885

PEAK EDGE

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

24. Analysis of changes in net debt

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	2,053,885	148,606	2,202,491
	2,053,885	148,606	2,202,491

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

25. 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 Mercer. 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.

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.

PEAK EDGE**(A company limited by guarantee)**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

25. Pension commitments (continued)

The employer's pension costs paid to TPS in the year amounted to £616,161 (2020 - £584,344).

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.

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 2021 was £373,000 (2020 - £399,000), of which employer's contributions totalled £286,000 (2020 - £321,000) and employees' contributions totalled £ 87,000 (2020 - £78,000). The agreed contribution rates for future years are 16.4 per cent for employers and 5.5-12 per cent for employees.

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

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

Principal actuarial assumptions

	2021	2020
	%	%
Rate of increase in salaries	4.00	3.60
Rate of increase for pensions in payment/inflation	2.80	2.35
Discount rate for scheme liabilities	1.70	1.75
Inflation assumption (CPI)	2.70	2.35

PEAK EDGE**(A company limited by guarantee)**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

25. Pension commitments (continued)

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

	2021	2020
	Years	Years
Retiring today		
Males	22.5	22.4
Females	25.3	25.2
Retiring in 20 years		
Males	24.0	23.9
Females	27.2	27.1

Sensitivity analysis

	2021	2020
	£000	£000
Discount rate +0.1%	(168)	(137)
Discount rate -0.1%	170	139
Mortality assumption - 1 year increase	250	140
Mortality assumption - 1 year decrease	(242)	(138)
CPI rate +0.1%	173	186
CPI rate -0.1%	(171)	(182)

Share of scheme assets

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

	2021	2020
	£	£
Equities	2,393,000	1,836,000
Gilts	682,000	568,000
Corporate bonds	365,000	340,000
Property	424,000	325,000
Cash and other liquid assets	49,000	139,000
Other	1,026,000	662,000
Total market value of assets	4,939,000	3,870,000

The actual return on scheme assets was £728,000 (2020 - £(2,000)).

PEAK EDGE**(A company limited by guarantee)**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

25. Pension commitments (continued)

The amounts recognised in the Statement of financial activities are as follows:

	2021 £	2020 £
Current service cost	630,000	555,000
Interest income	(72,000)	(33,000)
Interest cost	118,000	102,000
Administrative expenses	(8,000)	8,000
Total amount recognised in the Statement of financial activities	668,000	632,000

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

	2021 £	2020 £
At 1 September	6,635,000	5,637,000
Current service cost	630,000	555,000
Interest cost	118,000	102,000
Employee contributions	87,000	78,000
Actuarial losses	630,000	332,000
Benefits paid	(25,000)	(69,000)
At 31 August	8,075,000	6,635,000

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

	2021 £	2020 £
At 1 September	3,870,000	1,615,000
Interest income	72,000	33,000
Actuarial gains	657,000	1,900,000
Employer contributions	286,000	321,000
Employee contributions	87,000	78,000
Benefits paid	(25,000)	(69,000)
Administrative expenses	(8,000)	(8,000)
At 31 August	4,939,000	3,870,000

PEAK EDGE**(A company limited by guarantee)**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

26. Operating lease commitments

At 31 August 2021 the academy trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021	2020
	£	£
Not later than 1 year	5,566	9,280
Later than 1 year and not later than 5 years	7,525	5,796
	13,091	15,076

27. 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.

28. 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 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.

Related party transactions

Ian Askham Graphics - a sole trader who is the husband of Catherine Askham (Business Manager at Oughtibridge School).

- The Academy Trust purchased start up graphics designs for the Trust totalling £205 (2020: £461). There were £nil amounts outstanding at 31 August 2021 (2020: £nil).
- The Academy Trust made the purchase at arms' length.
- In entering into the transaction the academy has complied with the requirements of the Academies Financial Handbook.

In 2021, the Academy Trust received no donations from Governors (2020: £1,050 from 2 Governors).

