

Registration number: 11650747

Peak Edge

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2023

Peak Edge

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Reference and administrative details

Members	D Cates P Houghton
Trustees (Directors)	J Dugmore, CEO (appointed 17 October 2023, Accounting Officer) D J L Cates (Chair) D P Andrews J Birkby (appointed 24 November 2023) E Cutting (resigned 20 February 2023) N Dennis (appointed 27 November 2023) A M Drinkhill (appointed 2 March 2023) M Perryman (appointed 24 November 2022) M Turner (appointed 2 March 2023) J Vincent (resigned 21 July 2023)
Senior Management Team	J Dugmore, Chief Executive Officer Y Hawsworth, Chief Finance Officer L Mitchell, Headteacher - Bradfield Dungworth J Connolly Executive Headteacher - Loxley & Oughtibridge to 31.08.2023, then Headteacher at Loxley from 01.09.2023 S Arbon-Davis, Headteacher - Nook Lane H Adams Headteacher Bradfield Dungworth until 31.08.23, Headteacher - Oughtibridge from 01.09.2023 S Binns, Headteacher - Stannington J Townsend, Headteacher - Stocksbridge from 01.09.2022 M Gaughan, Headteacher - Wharncliffe Side
Principal and Registered Office	Oughtibridge Primary School Naylor Road Oughtibridge Sheffield S35 0HG
Company Registration Number	11650747
Auditors	Marriott Gibbs Rees Wallis Limited Chartered Certified Accountants and Registered Auditors Unit 4 Broadfield Court Sheffield S8 0XF 4 August 2023
Bankers	Lloyds Bank 1 High Street Sheffield S1 2GA

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Trustees' report for the Year Ended 31 August 2023

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2023. The annual report serves the purposes of both a trustees' report, and a directors' report and strategic report under company law.

The academy trust operates seven primary schools serving catchment areas in North West Sheffield, 6 converted to Academy status and joined the Trust on 1 May 2019 and 1 primary school joined the Trust on 1 September 2022. They have a combined pupil capacity of 1,635 and had a roll of 1,548 in the school census at October 2023.

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee and is an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The company registration number is 11650747.

The governors act as the trustees for the charitable activities of Peak Edge and are also the directors of the charitable company for the purposes of company law.

Details of the trustees who served during the year, and to the date these accounts are approved are included in the Reference and Administrative Details on page 1.

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.

Trustees' indemnities

The academy trust through its Articles has indemnified its Trustees to the fullest extent permissible by law. During the period the Academy also purchased and maintained liability insurance for its Trustees.

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.

Policies and procedures adopted for the induction and training of Trustees

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

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.

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Trustees' report for the Year Ended 31 August 2023 (continued)

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 Operating Officer

Sarah Binns – Headteacher, Stannington Infant School

David Cates

Elizabeth Cutting

Julie Vincent

Antoinette Drinkhill

Martin Perryman

Michelle Turner

The Headteachers of the Academies comprise the Headteacher Board along with the CEO:

Jim Dugmore – Chief Executive Officer and Accounting Officer

Liam Mitchell - Headteacher, Bradfield Dungworth Primary

James Connolly – Headteacher, Loxley Primary

Steven Arbon-Davis – Headteacher, Nook Lane Junior

Helen Adams - Headteacher, Oughtibridge Primary

Sarah Binns, Headteacher, Stannington Infant

Jane Townsend - Headteacher, Stocksbridge Nursery 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

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Trustees' report for the Year Ended 31 August 2023 (continued)

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 CFO's remuneration package is agreed in consultation with the Trustee Board. The remuneration package was benchmarked against the salary of other CFO's within Multi Academy Trusts of a similar size and with the support of officers from 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.

Trade union facility time

The Academy Trust has no trade union representatives. Therefore no further information is disclosed on the website or in these accounts.

Connected organisations, including related party relationships

The trust has no related parties or any other connected charities and organisations for the period 2022-23 other than those related party transactions detailed in the notes to the financial statements.

Objectives and activities

Objects and aims

Peak Edge is based in North West Sheffield and was established in 2019 as a partnership between schools with a shared ethos of putting pupils first with excellence at the heart of all that we do.

Our schools share the same intention of ensuring every pupil we serve reaches their full potential. Each school has a track record of not only working together but providing school to school support across Sheffield and South Yorkshire. 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.

Peak Edge brings schools together and provides a foundation for further growth by sharing our strengths while maintaining our individual characteristics. Our teams benefit from working with other schools in the Trust and beyond. We learn from them as much as we offer them support.

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 values are what make Peak Edge such an exciting organisation to be a part of.

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Trustees' report for the Year Ended 31 August 2023 (continued)

The values 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.
- 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.
- 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.

Objectives, strategies and activities

At the heart of the Peak Edge offer is the goal of providing an excellent education for every child in every academy. The schools that make up Peak Edge have a passion to support others in developing a holistic and engaging learning experience for all children. Through building close relationships and seeking to share best practice, all of the schools have seen a positive impact upon their teaching and learning and significant improvements in school performance.

Peak Edge aims for children to make at least good progress in KS1 and KS2, considering their starting points from EYFS/KS1. This will include comparing key areas from starting points with national data and comparing similar key areas at the end of KS1/ KS2. This will indicate good gains made across EYFS, KS1 and KS2 using this comparative data. We share high expectations for both our pupils and our schools, and express this through our core aspirations:

- Always effective teaching and learning for all pupils
- Strong leadership at all levels within Peak Edge, that leads to continuous improvement
- Every child reaching their full potential
- Achievement that exceeds national averages that supports children being ready for the next stage of their education.

We seek to support the autonomy of our schools, under effective leadership, and to encourage them to flourish. In educational leadership terms, the trust is committed to the integrity of local governing bodies.

We aim to provide an effective combination of centrally driven improvement alongside effective monitoring to ensure that our schools demonstrate a high standard of provision.

The trust seeks to secure a positive, effective and communicative relationship with each of its academies.

Through working with school leadership and business support, the Trust seeks to foster the wellbeing and development of schools from within. We also aim, with agreement with our schools, to enable and facilitate working across the Trust.

The Trust positively encourages schools to continue to work with those local structures that are effective and worthwhile; this includes maintaining good links with local authority provision.

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Trustees' report for the Year Ended 31 August 2023 (continued)

Public benefit

The academy trust provides educational services to all children in the local area. The Trustees confirm that they have complied with the duty in Section 17 (5) of the Charities Act 2011 to have due regard to the public benefit guidance provided by the Charity Commission.

In setting objectives and planning our activities the Trustees have carefully considered the Charity Commission's general guidance on public benefit.

Strategic Report

Achievements and performance

Key academic outcomes were strong and demonstrated the effectiveness of the curricula in each school. Overall, when taking the average performance of all schools into account, Peak Edge met or exceeded the national average in all subjects reported at EYFS, Y1, the end of Key Stage 1 and at the end of Key Stage 2. This represents a huge success given that generally, school performance across England has not yet recovered to pre-pandemic levels.

	Cohort size	Peak Edge	National average
EYFS			
A Good Level of Development	249	75	67
Phonics Screening Check			
Year 1 pass rate	259	79	79
End of Key Stage 1			
% National Standard (or higher) Reading	255	76	68
% National Standard (or higher) Writing	255	70	67
% National Standard (or higher) Maths	255	76	72
End of Key Stage 2			
% National Standard (or higher) Reading	180	83	73
% National Standard (or higher) Writing	180	84	71
% National Standard (or higher) Maths	180	83	73
% National Standard (or higher) GPS	180	82	72
% National Standard (or higher) R, W and M combined	180	72	59

There were also some particular successes in progress and attainment behind these figures, with several schools reporting progress rates that were well above the national average.

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Trustees' report for the Year Ended 31 August 2023 (continued)

Key Performance Indicators

In addition, as part of our school improvement focus, 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 sequenced and worked with subject leaders to ensure the content of their curricula 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.

During the reporting period, two schools were inspected by Ofsted. Wharncliffe Side was graded 'good' overall following a Section 5 graded inspection. Bradfield Dungworth were judged as continuing to be a good school following a Section 8 inspection.

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, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Financial review

During the year under review, the academy trust inherited the assets and liabilities of Stocksbridge Nursery and Infants School. A net donation of £2,716,347 was included within the Statement of Financial Activities, in accordance with the ESFA Accounts Direction.

Most of the academy trust's recurrent income is obtained from the ESFA in the form of grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the period ended 31 August 2023 and the associated expenditure are shown as restricted funds in the statement of financial activities. These funds have been applied in the academy trust's educational operations.

During the period ended 31 August 2023, total expenditure of £10,573,997 was covered by recurrent grant funding from the ESFA together with other incoming resources and reserves brought forward. The surplus of income over expenditure for the year (excluding restricted fixed asset funds and pension reserves) was £233,610.

At 31 August 2023, the net book value of fixed assets was £24,407,928 and movements in tangible fixed assets are shown in note 12 to the financial statements. During the period the assets were used exclusively for providing education and the associated support services to the pupils of the academy.

The Trust has an in-year surplus of £233,610 (deficit 2022 - £149,423) on restricted general funds (excluding pension reserve) and unrestricted funds.

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Trustees' report for the Year Ended 31 August 2023 (continued)

Financial and risk management objectives and policies

The academy trust does not use complex financial instruments; it manages its activities using cash and various items such as trade debtors and trade creditors that arise directly from its operations.

The existence of these financial instruments exposes the academy trust to a number of financial risks which are described in more detail below. The main risks arising from the trust's financial instruments are liquidity risk and cash flow interest rate risk.

Interest rate risk - the trust earns interest on cash deposits. With interest rates currently low, the trustees will consider action to increase the income from these deposits, provided it does not jeopardise the liquidity or security of the trust's assets.

Credit risk – this arises from the possibility that amounts owed to the trust will not be repaid. The trust does not undertake credit activities so it is only exposed to credit risk as it arises from normal business. Credit risk is managed through the use of approved banks and the prompt collection of amounts due.

Pension deficit risk - the restricted pension fund reserve is in deficit to the value of £443,000 (2022 - £18,000) as at 31 August 2023. This deficit has been inherited upon conversion to academy status and the trustees will continue to monitor this situation closely.

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.

At 31 August 2023 the Trust had free reserves of £1,479,104 (2022: £1,193,805) (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 2023/2024 to cover budgeted deficits, which includes elements that were unfunded at the time of writing such as teacher and support staff pay rises, projected increases to energy bills and other inflationary pressures.

Investment policy

The Trust currently has no financial investments; however should it decide to pursue these in the future the policy is to delegate the management of investments to a financial expert.

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Trustees' report for the Year Ended 31 August 2023 (continued)

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.
- Change in Government Policy – mitigated by links with the National Society and use of Wrigleys Solicitors for advice and support.
- Rising energy costs present a particular challenge given that some projections indicate a 258% rise in charges levied to schools.
- Uncontrollable events e.g. fire, flood – mitigated by renewal of insurance with RPA.
- High inflation rates causing rises to service costs over and above the increase in the rate of central funding.

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.

The trust feels that the main risk impacting on trustees' responsibilities to ensure the trust's estate is safe, well maintained and complies with relevant regulations for pupils, staff and visitors is due to the maintenance and repair costs. The trust have been successful in CIF bid applications and continue to develop a rolling works programme to help plan for this.

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 plans to grow by a further 4 schools in the next 2 years. This will facilitate development of the Central Services Team and enhance procurement opportunities enabling additional savings through economies of scale for our schools.

Employment of disabled persons

The Trust values it's employees and actively promotes Wellbeing and Personnel Development. The Trust offers it's employees access to a wide range of Health & Wellbeing services as part of staff remuneration. The Trust invests in training and development of staff through regular and appropriated CPD to grow and nurture the Peak Edge staff team. There are regular Headteacher Board meetings, Subject Leader team meetings and Finance staff team meetings to share information including financial and economic factors affecting the performance of the Trust. The Trust is fully inclusive and supports the recruitment and retention of staff with disabilities. The Trust seeks support from their Occupational Health Advisor to ensure appropriate resources and support is available where required.

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Trustees' report for the Year Ended 31 August 2023 (continued)

Auditor

Insofar as the Trustees are aware:

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

Reappointment of auditor

The auditors Marriott Gibbs Rees Wallis Limited are deemed to be reappointed under section 487(2) of the Companies Act 2006.

The trustees' report, incorporating a Strategic Report, was approved by order of the members of the board of trustees on and signed on its behalf by:

.....
D J L Cates (Chair)
Trustee

Peak Edge

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.

The board of trustees has delegated the day-to-day responsibility to J Dugmore, Trustee, 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 6 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
D Cates	6	6
D P Andrews	5	5
E Cutting (resigned 20 February 2023)	1	3
A M Drinkhill (appointed 2 March 2023)	2	3
M Perryman (appointed 24 November 2022)	4	5
M Turner (appointed 2 March 2023)	3	3
J Vincent (resigned 21 July 2023)	4	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.

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Governance statement (continued)

- 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.

Governance reviews

We successfully recruited several new Trustees, which has enhanced the capacity and expertise of the Board. Their capability and success has been commented very positively on by Ofsted inspectors. A new Member is in the process of being appointed at the time of writing this report. Although the Member Board remains effective, we would like to expand it to five members in line with DfE Best Practice recommendations – this is a priority.

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 have met and networked to identify common themes and plan solutions together.

Over the next year, we have identified specific targets relating to Governance as part of our three year Strategic Plan. This includes commissioning an external review of Governance across the Trust to build on our SRMA review outcomes from 22/23, and using the updated outcomes to plan next steps for development of Governance at all levels.

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Governance statement (continued)

Review of value for money

As accounting officer, the member 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 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 securing or delivering:

- School improvement services.
- Strategic financial planning and advice services and systems.
- Buildings, contents and governor liability insurance.
- Human Resources.
- Payroll Services.
- Health and Safety advice and support.
- GDPR advice and support services.
- Accountancy Services.
- Data analysis support.
- Preferential staff absence insurance premium.
- Preferential supply agency rates.
- Enhanced wellbeing support for all staff.
- Condition Improvement Fund bid writing, capital investment and administration.
- NGA Governance support and School Bus membership for all schools and governing boards.
- School meals administration.
- IT Support.
- Staff wellbeing support services.
- Staff absence cover for academies.
- Teaching and Learning reviews in all schools.
- CPD opportunities for staff.
- Condition Improvement Fund grants for large scale capital improvement works.
- 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).

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of academy 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 ended 31 August 2023 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 ended 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

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Governance statement (continued)

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 Trustee Board has considered the need for a specific internal audit function and has decided:

- to employ Smith Craven, Citation Limited, Glover Recruitment Consultancy and Judicium Education as internal auditors

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

- Financial controls review
- Single Central Record review
- Health & Safety review
- Annual GDPR audit

Undertaken termly, the auditors report to the Governing Body, through the audit committee on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

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

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Governance statement (continued)

Review of effectiveness

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

- the work of the internal auditor;
- the financial management and governance self-assessment process;
- 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 and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on and signed on its behalf by:

.....
D J L Cates (Chair)
Trustee

.....
J Dugmore, Trustee
Accounting Officer

Peak Edge

Statement of 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 and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2022, including responsibilities for estates safety and management.

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academy Trust Handbook 2022.

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.

.....
J Dugmore, Trustee
Accounting officer

Date:.....

Peak Edge

Statement of Trustees' Responsibilities

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

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

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2022 to 2023;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

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

.....
D J L Cates (Chair)
Trustee

Peak Edge

Independent Auditor's Report on the Financial Statements to the Members of Peak Edge

Opinion

We have audited the financial statements of Peak Edge (the 'Academy') for the year ended 31 August 2023, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice) Accounting and Reporting by Charities; Statement of Recommended Practice applicable to Charities (Charities SORP 2019) and the Academies Accounts Direction 2022 to 2023 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 2023 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; and
- have been prepared in accordance with the Charities SORP 2019 and Academies Accounts Direction 2022 to 2023.

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 auditor responsibilities for the audit of the financial statements section of our report. We are independent of the Academy in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information (covers the Reference and administrative details, the Trustees' report and Strategic Report and the Governance statement)

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

Peak Edge

Independent Auditor's Report on the Financial Statements to the Members of Peak Edge (continued)

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 17, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor Responsibilities for the audit of the financial statements

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

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.

Peak Edge

Independent Auditor's Report on the Financial Statements to the Members of Peak Edge (continued)

Based on our understanding of the Academy Trust and its industry, we identified that the principal risks of non-compliance with laws and regulations related to the funding agreement with the Department of Education, UK tax legislation, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud, money laundering, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023.

We evaluated the Trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates and significant one-off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with the Trustees and management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit;
- Enquiring with management and trustees concerning any actual or potential litigation or claims;
- Inspecting correspondence with regulators and legal advisors;
- Reviewing minutes of trustees meetings; and
- Considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the Trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud;
- Addressing the risks of fraud through management override of controls by reviewing transactions around the end of the reporting period and by testing the appropriateness of journals and other adjustments;
- Performing analytical procedures to identify unexpected changes or movements to account balances which may be indicative fraud;
- Assessing whether the judgements made in making accounting estimates are indicative of any potential bias; and
- Evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

Peak Edge

Independent Auditor's Report on the Financial Statements to the Members of Peak Edge (continued)

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. Our audit procedures were designed to respond to risks of material misstatement in the financial statements, 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, as fraud may involve deliberate concealment by, for example, misrepresentations, forgery, intentional omissions, collusion, or the override of internal controls.

The further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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

.....
Mrs Tina Dawn Havenhand FCCA (Senior Statutory Auditor)
For and on behalf of Marriott Gibbs Rees Wallis Limited, Statutory Auditor

Unit 4
Broadfield Court
Sheffield
S8 0XF

Date:.....

Peak Edge

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 4 August 2023 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Peak Edge during the period 1 September 2022 to 31 August 2023 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 the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we may state to Peak Edge and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Peak Edge and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of the board of trustees's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of the board of trustees's funding agreement with the Secretary of State for Education dated 30 April 2019 and the Academy Trust Handbook, extant from 1 September 2022, 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 2022 to 2023. 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 from 1 September 2022 to 31 August 2023 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.

The work undertaken to draw to our conclusion includes:

- The assessment and evaluation of relevant control procedures adopted by the Academy Trust
- Assessing the risk of material irregularity
- Undertaking limited testing of income and expenditure, including identifying and testing funding agreements in place

Peak Edge

Independent Reporting Accountant's Assurance Report on Regularity to Peak Edge and the Education and Skills Funding Agency (continued)

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year from 1 September 2022 to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

.....

Marriott Gibbs Rees Wallis Limited
Chartered Certified Accountants and Reporting Accountants

Unit 4
Broadfield Court
Sheffield
S8 0XF

Date:.....

Peak Edge

Statement of Financial Activities for the Year Ended 31 August 2023 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2023/22 Total £
Income and endowments from:					
Voluntary income					
Donations and capital grants	2	15,197	-	1,273,079	1,288,276
Transfer from local authority on conversion		-	335,401	2,380,946	2,716,347
Other trading activities	4	258,366	221,654	-	480,020
Investments	5	158	-	-	158
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	-	8,710,923	-	8,710,923
Total		273,721	9,267,978	3,654,025	13,195,724
Expenditure on:					
<i>Charitable activities:</i>					
Academy trust educational operations	7	304,565	9,924,404	345,028	10,573,997
Net (expenditure)/income		(30,844)	(656,426)	3,308,997	2,621,727
Transfers between funds		-	310,881	(310,881)	-
Other recognised gains and losses					
Opening defined benefit pension scheme liability		-	(1,173,000)	-	(1,173,000)
Actuarial gains on defined benefit pension schemes	26	-	1,358,000	-	1,358,000
Net movement in (deficit)/funds		(30,844)	(160,545)	2,998,116	2,806,727
Reconciliation of funds					
Restated Total funds brought forward at 1 September 2022		626,242	601,252	21,656,111	22,883,605
Total funds carried forward at 31 August 2023		595,398	440,707	24,654,227	25,690,332

Peak Edge

Statement of Financial Activities for the Year Ended 31 August 2022 (including Income and Expenditure Account) Restated

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2022/21 Total £
Income and endowments from:					
Voluntary income					
Donations and capital grants	2	20,125	-	2,629,341	2,649,466
Other trading activities	4	213,987	209,276	-	423,263
Investments	5	234	-	-	234
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	-	7,139,357	-	7,139,357
Total		234,346	7,348,633	2,629,341	10,212,320
Expenditure on:					
<i>Charitable activities:</i>					
Academy trust educational operations	7	234,346	7,703,219	523,909	8,461,474
Net (expenditure)/income		-	(354,586)	2,105,432	1,750,846
Transfers between funds		-	(303,837)	303,837	-
Other recognised gains and losses					
Actuarial gains on defined benefit pension schemes	26	-	3,797,000	-	3,797,000
Net movement in funds		-	3,138,577	2,409,269	5,547,846
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2021		626,242	(2,537,325)	19,246,842	17,335,759
Total funds carried forward at 31 August 2022		626,242	601,252	21,656,111	22,883,605

Peak Edge

(Registration number: 11650747) Balance Sheet as at 31 August 2023

		2023 £	(As restated) 2022 £
	Note		
Fixed assets			
Tangible assets	12	24,407,928	21,606,076
Current assets			
Debtors	13	457,737	213,985
Cash at bank and in hand		<u>2,129,164</u>	<u>1,855,142</u>
		2,586,901	2,069,127
Liabilities			
Creditors: Amounts falling due within one year	14	<u>(609,756)</u>	<u>(481,671)</u>
Net current assets		<u>1,977,145</u>	<u>1,587,456</u>
Total assets less current liabilities		26,385,073	23,193,532
Creditors: Amounts falling due after more than one year	15	<u>(251,741)</u>	<u>(291,927)</u>
Net assets excluding pension liability		26,133,332	22,901,605
Defined benefit pension scheme liability	26	<u>(443,000)</u>	<u>(18,000)</u>
Total net assets		<u>25,690,332</u>	<u>22,883,605</u>
Funds of the Academy:			
Restricted funds			
Restricted general fund	16	883,706	619,252
Restricted fixed asset fund	16	24,654,228	21,656,111
Pension reserve	16	<u>(443,000)</u>	<u>(18,000)</u>
		25,094,934	22,257,363
Unrestricted funds			
Unrestricted general fund	16	<u>595,398</u>	<u>626,242</u>
Total funds		<u>25,690,332</u>	<u>22,883,605</u>

The financial statements on pages 24 to 54 were approved by the Trustees, and authorised for issue on and signed on their behalf by:

.....
D J L Cates (Chair)
Trustee

Peak Edge

Statement of Cash Flows for the year ended 31 August 2023

			(As restated)
	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	20	(349,911)	328,960
Cash transferred on conversion to an academy trust		335,401	-
Cash flows from investing activities	22	313,201	(840,064)
Cash flows from financing activities	21	<u>(24,669)</u>	<u>163,755</u>
Change in cash and cash equivalents in the year		274,022	(347,349)
Cash and cash equivalents at 1 September		<u>1,855,142</u>	<u>2,202,491</u>
Cash and cash equivalents at 31 August	23	<u><u>2,129,164</u></u>	<u><u>1,855,142</u></u>

Peak Edge

Notes to the Financial Statements for the Year Ended 31 August 2023

1 Accounting policies

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

Basis of preparation

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2022 to 2023 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Going concern

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

Income

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

Grants

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

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

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

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.

Peak Edge

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

1 Accounting policies (continued)

Other income

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

Donated goods, facilities and services

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

Donated fixed assets

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

Expenditure

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

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

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.

Peak Edge

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

1 Accounting policies (continued)

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. 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 such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset over its expected useful lives, per the table below.

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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.

During the year under review, a prior year adjustment was made in respect of leasehold property which had not been depreciated in prior years. The new accounting policy adopted in the year to 31 August 2023 is to depreciate leasehold property in line with lease terms.

Asset class	Depreciation method and rate
Leasehold property	In line with lease terms
Leasehold building improvements	2% straight line
Furniture and equipment	25% straight line
Computer equipment	20% straight line

Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the 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.

Provisions

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

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

Leased assets

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

Peak Edge

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

1 Accounting policies (continued)

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 basis 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 13. Prepayments are not financial instruments.

Cash at bank - is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 14. 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.

Taxation

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

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

Pension benefits

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

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

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

Peak Edge

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

1 Accounting policies (continued)

Fund accounting

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

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

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

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26 'Pension and similar obligations', will impact on 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 2023. 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.

2 Donations and capital grants

	Unrestricted Funds £	Restricted Fixed Asset Funds £	2023/22 Total £	2022/21 Total £
Other voluntary income				
Capital grants	-	1,273,079	1,273,079	2,629,341
Other donations	15,197	-	15,197	20,125
	<u>15,197</u>	<u>1,273,079</u>	<u>1,288,276</u>	<u>2,649,466</u>

Peak Edge

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

3 Funding for the Academy Trust's educational operations

	Restricted General Funds £	2023/22 Total £	2022/21 Total £
Educational operations			
DfE/ESFA revenue grants			
General Annual Grant (GAG)	7,050,273	7,050,273	5,993,090
Pupil premium	338,227	338,227	214,541
PE and sports grant	124,670	124,670	107,290
UIFSM	230,040	230,040	196,266
Others	141,996	141,996	111,270
	<u>7,885,206</u>	<u>7,885,206</u>	<u>6,622,457</u>
Other government grants			
SEN	206,582	206,582	243,457
Early years funding	274,050	274,050	132,703
Other LA income	345,085	345,085	95,992
	<u>825,717</u>	<u>825,717</u>	<u>472,152</u>
Covid-19 additional funding (DfE/ESFA)			
Catch-up/recovery premium	-	-	25,015
School led tutoring	-	-	19,733
	<u>-</u>	<u>-</u>	<u>44,748</u>
Total grants	<u>8,710,923</u>	<u>8,710,923</u>	<u>7,139,357</u>

Peak Edge

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

4 Other trading activities

	Unrestricted Funds £	Restricted General Funds £	2023/22 Total £	2022/21 Total £
Hire of facilities	31,663	6,219	37,882	33,017
Catering income	18,586	-	18,586	9,983
Recharges and reimbursements	-	168,391	168,391	149,163
Other sales	208,117	47,044	255,161	231,100
	<u>258,366</u>	<u>221,654</u>	<u>480,020</u>	<u>423,263</u>

5 Investment income

	Unrestricted Funds £	2023/22 Total £	2022/21 Total £
Short term deposits	158	158	234

6 Expenditure

	Non Pay Expenditure			(As restated)	
	Staff costs £	Premises £	Other costs £	2023/22 Total £	2022/21 Total £
Academy's educational operations					
Direct costs	7,297,227	-	541,783	7,839,010	6,044,081
Allocated support costs	1,142,867	738,923	853,197	2,734,987	2,417,393
	<u>8,440,094</u>	<u>738,923</u>	<u>1,394,980</u>	<u>10,573,997</u>	<u>8,461,474</u>

Peak Edge

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

6 Expenditure (continued)

Net income/(expenditure) for the year includes:

	2023/22	2022/21
	£	£
Fees payable to auditor - audit	11,795	15,550
- other non-audit services	30,835	7,095
Depreciation	<u>345,028</u>	<u>138,304</u>

7 Charitable activities

	2023/22	2022/21
	£	£
Direct costs - educational operations	7,839,010	6,044,081
Support costs - educational operations	<u>2,734,987</u>	<u>2,417,393</u>
	<u>10,573,997</u>	<u>8,461,474</u>

	Educational operations	2023/22 Total	(As restated) 2022/21 Total
	£	£	£
Analysis of support costs			
Support staff costs	1,142,867	1,142,867	919,260
Depreciation	345,028	345,028	523,909
Technology costs	171,804	171,804	143,215
Premises costs	393,895	393,895	314,294
Other support costs	631,962	631,962	489,036
Governance costs	<u>49,431</u>	<u>49,431</u>	<u>27,679</u>
Total support costs	<u>2,734,987</u>	<u>2,734,987</u>	<u>2,417,393</u>

Peak Edge

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

8 Staff

Staff costs

	2023/22	2022/21
	£	£
Staff costs during the year were:		
Wages and salaries	5,817,384	4,529,540
Social security costs	505,875	390,430
Operating costs of defined benefit pension schemes	1,809,783	1,401,743
	8,133,042	6,321,713
Supply staff costs	307,052	205,492
	8,440,094	6,527,205

Staff numbers

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

	2023/22	2022/21
	No	No
Teachers	87	73
Administration and support	159	150
Management	8	7
	254	230

Higher paid staff

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

	2023/22	2022/21
	No	No
£60,001 - £70,000	3	3
£70,001 - £80,000	2	1
£80,001 - £90,000	2	-
£100,001 - £110,000	-	1
£110,001 - £120,000	1	-
	1	-

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 key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £834,278 (2022: £666,166).

Peak Edge

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

9 Central services

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

- School improvement services
- Strategic financial planning and advice services and systems
- Buildings, contents and governor liability insurance
- Human resources
- Payroll services
- Health and safety advice and support
- GDPR advice and support services
- Accountancy services
- Data analysis support
- Preferential staff absence insurance premium
- Preferential supply agency rates
- Enhanced wellbeing support for all staff
- Condition Improvement Fund bid writing, capital investment and administration
- NGA Governance support and School Bus membership for all schools and governing boards
- School meals administration
- IT support
- Staff wellbeing support services
- Staff absence cover for academies
- Teaching and learning reviews in all schools
- CPD opportunities for staff
- Condition Improvement Fund grants for large scale capital improvement works
- 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)

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

5.4% of GAG funding at each school

The actual amounts charged during the year were as follows:

Peak Edge

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

9 Central services (continued)

	2023/22	2022/21
	£	£
Bradfield Dungworth Primary	32,494	25,502
Loxley Primary School	48,311	38,059
Nook Lane Junior School	63,835	51,005
Oughtibridge Primary School	95,809	77,430
Stannington Infant School	44,416	35,209
Wharncliffe Side Primary School	46,218	36,096
Stocksbridge Nursery and Infant School	49,655	-
	<u>380,738</u>	<u>263,301</u>

10 Related party transactions - trustees' remuneration and expenses

No trustees have been paid remuneration or have received other benefits from employment with the academy trust in the current or prior period.

There were no reimbursements to trustees in respect of expenses in their capacity of trustees.

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

11 Trustees' and officers' insurance

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

Peak Edge

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

12 Tangible fixed assets

	Leasehold land and buildings £	Assets under construction £	Furniture and equipment £	Computer equipment £	2023/22 Total £
Cost					
Restated at 1 September 2022	22,036,703	-	27,280	185,838	22,249,821
Additions	<u>2,885,514</u>	<u>210,231</u>	<u>20,642</u>	<u>30,491</u>	<u>3,146,878</u>
At 31 August 2023	<u>24,922,217</u>	<u>210,231</u>	<u>47,922</u>	<u>216,329</u>	<u>25,396,699</u>
Depreciation					
Restated at 1 September 2022	548,295	-	4,817	90,631	643,743
Charge for the year	<u>293,413</u>	<u>-</u>	<u>10,610</u>	<u>41,005</u>	<u>345,028</u>
At 31 August 2023	<u>841,708</u>	<u>-</u>	<u>15,427</u>	<u>131,636</u>	<u>988,771</u>
Net book value					
At 31 August 2023	<u>24,080,509</u>	<u>210,231</u>	<u>32,495</u>	<u>84,693</u>	<u>24,407,928</u>
Restated at 31 August 2022	<u>21,488,408</u>	<u>-</u>	<u>22,463</u>	<u>95,207</u>	<u>21,606,078</u>

13 Debtors

	2023 £	2022 £
Trade debtors	3,207	1,624
VAT recoverable	109,008	116,769
Prepayments	32,699	95,592
Accrued grant and other income	<u>312,823</u>	<u>-</u>
	<u>457,737</u>	<u>213,985</u>

14 Creditors: amounts falling due within one year

Peak Edge

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

14 Creditors: amounts falling due within one year (continued)

	2023	2022
	£	£
Trade creditors	48,316	164,908
Other taxation and social security	118,564	94,054
Loans	35,206	15,776
Other creditors	78,757	34,865
Accruals	126,132	55,605
Deferred income	161,241	116,463
Pension scheme creditor	41,540	-
	609,756	481,671

	2023	2022
	£	£
Deferred income		
Deferred income at 1 September 2022	116,463	176,203
Resources deferred in the period	161,241	116,463
Amounts released from previous periods	(116,463)	(176,203)
Deferred income at 31 August 2023	161,241	116,463

At the financial year end £161,241 (2022 - £116,463) was recognised in deferred income in relation to income received which relates to the following financial year, this related to UIFSM funding.

Loans of £13,434 from the ESFA for CIF which is provided on the following terms: Repayable over 10 years with an interest rate of 2.07%.

Loans of £7,413 from the ESFA for CIF which is provided on the following terms: repayable over 10 years with an interest rate of 1.95%.

Loans of £10,335 from DfE / Salix Finance Limited which is provided on the following terms: repayable over 7 - 8 years. This is an unsecured interest free loan.

Loans of £2,682 from DfE / Salix Finance Limited which is provided on the following terms: a loan transferred on conversion, repayable over 7 - 8 years. This is an unsecured interest free loan.

15 Creditors: amounts falling due in greater than one year

	2023	2022
	£	£
Loans	251,741	291,927

Loans of £60,110 from the ESFA for CIF which is provided on the following terms: Repayable over 10 years with an interest rate of 2.07%.

Loans of £30,667 from the ESFA for CIF which is provided on the following terms: repayable over 10 years with an interest rate of 1.95%.

Loans of £41,340 from DfE / Salix Finance Limited which is provided on the following terms: repayable over 7 - 8 years. This is an unsecured interest free loan.

Peak Edge

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

15 Creditors: amounts falling due in greater than one year (continued)

Loans of £5,364 from DfE / Salix Finance Limited which is provided on the following terms: a loan transferred on conversion, repayable over 7 - 8 years. This is an unsecured interest free loan.

Peak Edge

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

16 Funds

	Balance at 1 September 2022 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2023 £
Restricted funds					
<i>Restricted general funds</i>					
GAG	510,814	7,050,273	(7,096,699)	310,880	775,268
Pupil premium	-	338,227	(338,227)	-	-
UIFSM	-	230,040	(230,040)	-	-
School fund	51,689	-	-	-	51,689
SEN	-	206,582	(206,582)	-	-
Other DfE/ESFA income	-	1,442,856	(1,442,856)	-	-
Other	56,749	-	-	-	56,749
<i>Restricted fixed asset funds</i>					
Tangible fixed assets	21,606,076	2,390,333	(345,028)	756,547	24,407,928
DFC/CIF funding	50,035	1,263,692	-	(1,067,427)	246,300
<i>Pension reserve funds</i>					
Defined benefit pension liability	(18,000)	-	(610,000)	185,000	(443,000)
Total restricted funds	<u>22,257,363</u>	<u>12,922,003</u>	<u>(10,269,432)</u>	<u>185,000</u>	<u>25,094,934</u>
<i>Unrestricted general funds</i>					
Unrestricted general funds	626,242	273,721	(304,565)	-	595,398
Total unrestricted funds	626,242	273,721	(304,565)	-	595,398
Total endowment funds	-	-	-	-	-
Total funds	<u><u>22,883,605</u></u>	<u><u>13,195,724</u></u>	<u><u>(10,573,997)</u></u>	<u><u>185,000</u></u>	<u><u>25,690,332</u></u>

Peak Edge

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

16 Funds (continued)

Restated as at 31.08.2022

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

	Balance at 1 September 2021 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2022 £
Restricted funds					
<i>Restricted general funds</i>					
GAG	716,986	5,993,090	(5,895,425)	(303,837)	510,814
Pupil premium	-	214,541	(214,541)	-	-
UIFSM	-	196,266	(196,266)	-	-
School fund	51,689	-	-	-	51,689
SEN	-	243,457	(243,457)	-	-
Other DfE/ESFA income	-	492,003	(492,003)	-	-
Other	-	209,276	(152,527)	-	56,749
<i>Restricted fixed asset funds</i>					
Tangible fixed assets	18,660,346	-	(523,909)	3,469,639	21,606,076
DFC/CIF funding	586,496	2,629,341	-	(3,165,802)	50,035
<i>Pension reserve funds</i>					
Defined benefit pension liability	(3,306,000)	-	(509,000)	3,797,000	(18,000)
Total restricted funds	<u>16,709,517</u>	<u>9,977,974</u>	<u>(8,227,128)</u>	<u>3,797,000</u>	<u>22,257,363</u>
<i>Unrestricted general funds</i>					
Unrestricted general funds	626,242	234,346	(234,346)	-	626,242
Total unrestricted funds	626,242	234,346	(234,346)	-	626,242
Total endowment funds	-	-	-	-	-
Total funds	<u>17,335,759</u>	<u>10,212,320</u>	<u>(8,461,474)</u>	<u>3,797,000</u>	<u>22,883,605</u>

Peak Edge

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

16 Funds (continued)

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

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

Restricted general funds:

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 of specific projects.

Restricted pension funds:

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 ESFA Accounts Direction.

Restricted fixed asset funds:

Restricted funds set aside for capital items.

Transfers between funds represent monies spent on fixed assets.

Peak Edge

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

16 Funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2023 were allocated as follows:

	2023	2022
	£	£
Bradfield Dungworth Primary	93,166	111,712
Loxley Primary School	243,376	193,928
Nook Lane Junior School	151,687	208,956
Oughtibridge Primary School	303,137	201,690
Stannington Infant School	148,955	43,760
Stocksbridge Nursery and Infant School	95,930	-
Wharncliffe Side Primary School	274,438	336,938
Central services	168,415	148,510
Total before fixed assets and pension reserve	1,479,104	1,245,494
Restricted fixed asset fund	24,654,228	21,656,111
Pension reserve	(443,000)	(18,000)
Total	<u>25,690,332</u>	<u>22,883,605</u>

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 2023
	£	£	£	£	£
Bradfield Dungworth Primary	575,010	102,906	45,764	114,597	838,277
Loxley Primary School	850,998	88,990	35,174	146,652	1,121,814
Nook Lane Junior School	1,171,223	151,483	81,834	137,928	1,542,468
Oughtibridge Primary School	1,596,490	304,452	121,296	240,039	2,262,277
Stannington Infant School	678,177	134,650	40,820	171,446	1,025,093
Stocksbridge Nursery and Infant School	1,194,390	176,198	78,843	237,927	1,687,358
Wharncliffe Side Primary School	1,059,582	107,238	37,390	123,219	1,327,429
Central services	171,356	76,951	3,386	172,560	424,253
Academy Trust	<u>7,297,226</u>	<u>1,142,868</u>	<u>444,507</u>	<u>1,344,368</u>	<u>10,228,969</u>

Peak Edge

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

16 Funds (continued)

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs (excluding depreciation) £	Total 2022 £
Bradfield Dungworth Primary	481,015	128,243	55,424	91,190	755,872
Loxley Primary School	756,466	140,044	43,010	117,347	1,056,867
Nook Lane Junior School	1,074,266	229,985	54,555	108,951	1,467,757
Oughtibridge Primary School	1,421,022	419,936	110,025	211,597	2,162,580
Stannington Infant School	627,623	172,318	53,116	139,979	993,036
Wharncliffe Side Primary School	883,158	209,310	43,835	104,456	1,240,759
Central services	36,915	80,604	(172)	143,347	260,694
Academy Trust	<u>5,280,465</u>	<u>1,380,440</u>	<u>359,793</u>	<u>916,867</u>	<u>7,937,565</u>

17 Analysis of net assets between funds

Fund balances at 31 August 2023 are represented by:

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Tangible fixed assets	-	-	24,407,928	24,407,928
Current assets	595,398	1,408,133	583,370	2,586,901
Current liabilities	-	(524,426)	(85,330)	(609,756)
Creditors over 1 year	-	-	(251,741)	(251,741)
Pension scheme liability	-	(443,000)	-	(443,000)
Total net assets	<u>595,398</u>	<u>440,707</u>	<u>24,654,227</u>	<u>25,690,332</u>

Peak Edge

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

17 Analysis of net assets between funds (continued)

Restated

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

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	(As restated) Total Funds £
Tangible fixed assets	-	-	21,606,076	21,606,076
Current assets	626,242	1,062,550	380,335	2,069,127
Current liabilities	-	(443,298)	(38,373)	(481,671)
Creditors over 1 year	-	-	(291,927)	(291,927)
Pension scheme liability	-	(18,000)	-	(18,000)
Total net assets	<u>626,242</u>	<u>601,252</u>	<u>21,656,111</u>	<u>22,883,605</u>

18 Capital commitments

	2023 £	2022 £
Contracted for, but not provided in the financial statements	<u>389,990</u>	<u>-</u>

19 Long-term commitments, including operating leases

Operating leases

At 31 August 2023 the total of the Academy trust's future minimum lease payments under non-cancellable operating leases was:

	2023 £	2022 £
Amounts due within one year	16,382	7,577
Amounts due between one and five years	<u>27,780</u>	<u>20,068</u>
	<u>44,162</u>	<u>27,645</u>

Peak Edge

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

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

	2023	(As restated) 2022
	£	£
Net income	2,621,727	1,750,846
Depreciation	345,028	523,909
Capital grants from DfE and other capital income	(1,273,079)	(2,629,341)
Interest receivable	(158)	(234)
Interest payable	3,912	174
Defined benefit pension scheme cost less contributions payable	573,000	449,000
Defined benefit pension scheme finance cost	37,000	60,000
Decrease in debtors	9,864	93,753
Increase in creditors	58,529	80,853
Cash transferred on conversion to an academy trust	(335,401)	-
Non cash assets transferred on conversion	<u>(2,390,333)</u>	<u>-</u>
Net cash (used in)/provided by Operating Activities	<u>(349,911)</u>	<u>328,960</u>

21 Cash flows from financing activities

	2023	2022
	£	£
Repayments of borrowing	(30,144)	(17,966)
Cash inflows from new borrowing	9,387	181,895
Interest paid	<u>(3,912)</u>	<u>(174)</u>
Net cash (used in)/provided by financing activities	<u>(24,669)</u>	<u>163,755</u>

22 Cash flows from investing activities

	2023	2022
	£	£
Dividends, interest and rents from investments	158	234
Purchase of tangible fixed assets	(706,420)	(3,469,639)
Capital grants from DfE Group for investing activities	<u>1,019,463</u>	<u>2,629,341</u>
Net cash provided by/(used in) investing activities	<u>313,201</u>	<u>(840,064)</u>

23 Analysis of cash and cash equivalents

	2023	2022
	£	£
Cash in hand and at bank	<u>2,129,164</u>	<u>1,855,142</u>
Total cash and cash equivalents	<u>2,129,164</u>	<u>1,855,142</u>

Peak Edge

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

24 Analysis of changes in net debt

	At 1 September 2022 £	Cash flows £	Other non-cash changes £	At 31 August 2023 £
Cash	1,855,142	274,022	-	2,129,164
Loans falling due within one year	(15,776)	20,756	(40,186)	(35,206)
Loans falling due after more than one year	(291,927)	-	40,186	(251,741)
	<u>(307,703)</u>	<u>20,756</u>	<u>-</u>	<u>(286,947)</u>
Total	<u>1,547,439</u>	<u>294,778</u>	<u>-</u>	<u>1,842,217</u>

25 Member liability

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

26 Pension and similar obligations

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

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

Contributions amounting to £41,540 (2022: £34,865), were payable to the schemes at 31 August and are included in creditors.

Teachers' Pension Scheme

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

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

Peak Edge

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

26 Pension and similar obligations (continued)

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to TPS in the period amounted to £808,408 (2022: £956,566).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The 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 schemes

South Yorkshire Pension Fund

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £716,000 (2022 - £410,000), of which employer's contributions totalled £563,000 (2022 - £314,000) and employees' contributions totalled £153,000 (2022 - £96,000). The agreed contribution rates for future years are 19% per cent for employers and variable according to salary per cent for employees. The scheme is managed by South Yorkshire Pensions Authority.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of an academy trust closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on GOV.UK.

Principal actuarial assumptions

	2023	2022
	%	%
Rate of increase in salaries	3.60	4.20
Rate of increase for pensions in payment/inflation	3.00	0.00
Discount rate for scheme liabilities	5.20	4.30
Inflation assumptions (CPI)	3.00	3.20

Peak Edge

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

26 Pension and similar obligations (continued)

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

	2023	2022
Retiring today		
Males retiring today	20.60	22.50
Females retiring today	23.60	25.30
Retiring in 20 years		
Males retiring in 20 years	21.40	24.00
Females retiring in 20 years	25.00	27.20
Sensitivity analysis		
	2023	2022
	£	£
Discount rate -0.1%	22,000	6,000
Mortality assumption – 1 year increase	37,000	12,000
CPI rate +0.1%	20,000	4,000

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

	2023	2022
	£	£
Equities	5,103,000	3,867,000
Government bonds	1,555,000	1,105,000
Property	667,000	497,000
Cash and other liquid assets	74,000	55,000
Total market value of assets	7,399,000	5,524,000

Peak Edge

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

26 Pension and similar obligations (continued)

Amounts recognised in the statement of financial activities

	2023/22	2022/21
	£	£
Current service cost	(573,000)	(763,000)
Interest income	37,000	92,000
Admin expenses	-	(152,000)
	(536,000)	(823,000)
Total amount recognized in the SOFA	(536,000)	(823,000)

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

	2023/22	2022/21
	£	£
At start of period	5,186,000	8,511,000
Transferred in on existing academies joining the trust	2,073,000	-
Current service cost	573,000	763,000
Interest cost	322,000	152,000
Employee contributions	153,000	96,000
Actuarial (gain)/loss	(899,000)	(4,336,000)
Benefits paid	(86,000)	-
	7,322,000	5,186,000
At 31 August	7,322,000	5,186,000

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

	2023/22	2022/21
	£	£
At start of period	5,524,000	5,205,000
Conversion of academy trusts	900,000	-
Interest income	285,000	92,000
Actuarial gain/(loss)	60,000	(183,000)
Employer contributions	563,000	314,000
Employee contributions	153,000	96,000
Benefits paid	(86,000)	-
	7,399,000	5,524,000
At 31 August	7,399,000	5,524,000

Pension assets amounting to £520,000 have not been accounted for in the financial statements as they do not meet the recognition criteria under FRS 102.

Peak Edge

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

27 Related party transactions

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

Expenditure related party transactions

During the year the academy made the following 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 graphics design work for the Trust in the prior year totalling £430. There were £nil amounts outstanding as at 31 August 2023 (2022: £nil).

All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying 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.

28 Academy trust with a newly converted academy

On 1 September 2023 Stocksbridge Nursery and Infant School converted to academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Peak Edge from the Sheffield Local Authority for £Nil consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as net incoming resources in the Statement of Financial Activities as Donations - transfer from local authority on conversion.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the SOFA.

	Restricted general fund £	Restricted fixed asset fund £	Total £
Tangible fixed assets			
Leasehold land and buildings	-	2,390,333	2,390,333
Budget surplus on LA funds	335,401	-	335,401
Budget deficit on other school funds	-	(9,387)	(9,387)
Net assets	<u>335,401</u>	<u>2,380,946</u>	<u>2,716,347</u>

The above net assets include £335,401 that were transferred as cash.

Peak Edge

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

29 Prior period adjustments

A prior year adjustment has been made to the financial statements to correct the accounting treatment of land and buildings, previously not depreciated. The accounting policy in the year under review was changed to depreciate this classification of assets over the term of the leases held in respect of these assets.

The impact of the prior year adjustment was to increase depreciation brought forward on land and buildings of £385,605. The impact on net assets as at 31 August 2022 was a reduction of £385,605 from the restricted fixed asset fund.

In addition to this, a prior year adjustment was made to the financial statements in the year ended 31 August 2022 to correct the accounting treatment of CIF and Salix loans that were accounted for as income in the year to 31 August 2021. The impact of the prior year adjustment was to decrease capital grant income in the year to 31 August 2021 by £143,774, increase creditors due under one year by £16,823 and increase creditors due over one year by £126,951. The impact on net assets as at 31 August 2021 was a reduction of £143,774 from the restricted fixed asset funds.

A further prior year adjustment has been made to account for an understatement of the LGPS defined benefit pension liability as at 31 August 2021. The impact of this prior year adjustment was to increase expenditure by £9,000, decrease actuarial gains by £161,000 and increase the defined pension scheme liability by £170,000. The impact on net assets as at 31 August 2021 was a reduction of £170,000 from the pension reserve.

The overall impact to the funds held as at 31 August 2022 and 31 August 2021 is shown on the Statement of Financial Activities and reconciled below:

	2023	2022
	£	£
Funds as previously reported	23,269,210	17,649,533
Reduction in capital grant income	-	(143,774)
Increase in LGPS expense	-	(9,000)
Reduction in LGPS actuarial gain	-	(161,000)
Increase in depreciation on land and buildings	<u>(385,605)</u>	<u>-</u>
Funds restated	<u>22,883,605</u>	<u>17,335,759</u>