

PEAK MULTI ACADEMY TRUST
(A company limited by guarantee)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

**PEAK MULTI ACADEMY TRUST
(A company limited by guarantee)**

CONTENTS

	Page
Reference and administrative details	1 - 2
Trustees' report	3 - 18
Governance statement	19 - 22
Statement on regularity, propriety and compliance	23
Statement of Trustees' responsibilities	24
Independent auditors' report on the financial statements	25 - 27
Independent reporting accountant's report on regularity	28 - 29
Statement of financial activities incorporating income and expenditure account	30
Balance sheet	31
Statement of cash flows	32
Notes to the financial statements	33 - 57

PEAK MULTI ACADEMY TRUST
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Members

P Garvey
D Robinson
W Wesson (resigned 17 August 2020)
A Roe (resigned 7 March 2020)
M Radcliffe (resigned 20 November 2019)
S Marsden (appointed 7 January 2021)
C Glynn (appointed 7 January 2021)
R Savage (appointed 7 January 2021)

Trustees

N Hollis, Chair of Trustees (resigned 13 September 2020)
B Quinn, Vice Chair
J Rouse, Trustee
B Ames, Trustee
J Gill, Trustee (appointed 16 December 2019)
P Withey, Trustee
J King, Trustee
D Williams, Trustee
A Witheford, Chair of Trustees (appointed 17 August 2020)

Company registered number

07430289

Company name

Peak Multi Academy Trust

Principal and registered office

c/o Chellaston Academy
Swarkestone Road
Chellaston
Derby
Derbyshire
DE73 5UB

Chief executive officer

A Martin

Senior management team

K Gaiderman, CEO and Accounting Officer (resigned 20/07/2020)
A Martin, Interim CEO and Accounting Officer (22/09/2020 - 11/12/2020,
04/01/2021 - present)
C Brown, Director of HR and Operations
J Wainwright-Jones, Director of Business and Finance (Interim Accounting Officer
21/07/2020 - 21/09/2020, 12/12/2020 - 03/01/2021)
C Walker, Head of School - Chellaston Academy
S Coleman, Headteacher - Homefields
L Galley, Headteacher - Chellaston Infants School
M Fogg, Headteacher - Chellaston Junior School (resigned 31/12/2019)
A Smythe, Headteacher - Chellaston Junior School (appointed 01/01/2020)

Independent auditors

Cooper Parry Group Limited
One Central Boulevard
Blythe Valley Business Park
Solihull
West Midlands
B90 8BG

**PEAK MULTI ACADEMY TRUST
(A company limited by guarantee)**

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

Bankers	HSBC Plc St Peter's Street Derby DE1 2AE
Solicitors	Flint Bishop LLP St Michael's Court St Michael's Lane Derby DE1 3HQ

PEAK MULTI ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 September 2019 to 31 August 2020. The annual report serves the purposes of both a Trustees' report and a directors' report, including a strategic report, under company law.

The Charitable Company formerly operating as Chellaston Academy changed its name on 9 November 2018 from Chellaston Academy to Peak Multi Academy Trust and converted from a Single Academy Trust to a Multi Academy Trust on 1 March 2019. Chellaston Junior School and Chellaston Infants School converted to academy status and joined Peak Multi Academy Trust on 1 April 2019 and Homefields Primary School converted and joined on 1 July 2019.

Peak Multi Academy Trust "The Trust" operates one secondary academy and three primary academies for pupils aged 3 to 18 serving a catchment area in south Derby. The Trust has a pupil capacity of 2,837 and had a roll of 2,932 in the Autumn 2020 census.

The Trustees set out here the context and timeline of key events which have impacted on the strategic direction of the Trust over the reporting year and which will have a significant impact on the future plans of Peak Multi Academy Trust.

During the course of the year Trustees have taken action in response to a number of challenges including a high profile safeguarding investigation and a number of other significant investigations in addition to working with the Regional Schools Commissioner and ESFA to address the concerns raised by Ofsted. Trustees have been proactive in reviewing their own effectiveness and have taken measures to strengthen governance arrangements both at Trust level and at Chellaston Academy. As a result this has been a turbulent year for the Trust with changes in senior leadership at Chellaston Academy and on the Board of Trustees.

The following is a summary of key dates which form the background to this report.

- | | |
|---------------------|--|
| 9/10 July 2019: | Section 5 Ofsted Inspection at Chellaston Academy
Outcome: Inadequate Overall with safeguarding concerns |
| 11 February 2020: | Ofsted Monitoring Visit at Chellaston Academy
Outcome: Insufficient progress against identified weaknesses |
| 1 June 2020: | New Chair of Governors – National Leader of Governance - appointed at Chellaston Academy |
| 16 July 2020: | Termination Warning Notice issued to the Trust in respect of Chellaston Academy by Regional Schools Commissioner |
| 17 August 2020: | New Chair of Trustees appointed |
| 31 August 2020: | CEO of the Trust and Head of School Chellaston Academy step down |
| 1 September 2020: | Interim CEO from QEGSMAT appointed by Trustees |
| 1 September 2020: | New Headteacher appointed at Chellaston Academy and leadership team restructured |
| 30 November 2020: | Three new Members appointed |
| 10 December 2020: | Headteacher Board rebrokers Chellaston Academy to QEGSMAT |
| w/c 4 January 2021: | Trustees consult with Chellaston Juniors, Chellaston Infants and Homefields Primary on options for their future management and operation |
| 21 January 2021: | Regional Schools Commissioner's Headteacher Board meets to consider the Trust's submission regarding future arrangements for primary academies |

PEAK MULTI ACADEMY TRUST
(A company limited by guarantee)

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

Trustees decision-making during the reporting period has been and continues to be driven by their duty to Peak Multi Academy Trust and to securing the best possible futures for all four academies. Trustees continue to work with the RSC and ESFA towards this goal.

Structure, governance and management

a. Constitution

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

The charitable company's memorandum and articles of association are the primary governing documents of the Trust.

The Trustees of Peak Multi Academy Trust 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.

b. Members' liability

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

c. Trustees' indemnities

Subject to the provisions of the Companies Act 2006 every Trustee, Governor or other officer of the Trust shall be indemnified out of the assets of Peak Multi Academy Trust against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgment is given in favour or in which they are acquitted or in connection with any application in which relief is granted to them by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of Peak Multi Academy Trust.

The Trust has opted into the Department of Education's Risk Protection Arrangement ('RPA'), an alternative to insurance where UK government funds cover losses that arise. The scheme protects Members, Trustees and the Local Governing Body members from claims arising from negligent acts, errors or omissions occurring whilst on Peak Multi Academy Trust business. The scheme provides cover up to £10,000,000.

d. Method of recruitment and appointment or election of Trustees

The Members may appoint up to 9 Trustees. If the Chief Executive Officer agrees so at act, the Members may appoint the Chief Executive Officer as a Trustee. The total number of Trustees may include the Chief Executive Officer if they so choose to act as a Trustee (this is not currently exercised).

In circumstances where the Trustees have not appointed Local Governing Bodies in respect of the Academies or if no provision is made for at least two Parent Local Governors on each established Local Governing Board, there shall be a minimum of two Parent Trustees and other such number as the Members shall decide.

The Trustees may appoint Co-opted Trustees. A 'Co-opted Trustee' means a person who is appointed to be a Trustee by being Co-opted by Trustees who have not themselves been so appointed. The Trustees may not co-opt an employee of the Academy Trust as a Co-opted Trustee if thereby the number of Trustees who are employees of the Academy Trust would exceed one third of the total number of Trustees including the Chief Executive Officer to the extent that he or she is a Trustee.

PEAK MULTI ACADEMY TRUST
(A company limited by guarantee)

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

Structure, governance and management (continued)

The Trust has developed Terms of Reference for the Local Governing Bodies that further detail how the Local Governing Boards will constitute within the Articles of Association.

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

e. Policies adopted for the induction and training of Trustees

New Trustees meet with the CEO and the Chair of Trust Board and have access to all key documents and relevant reporting information including past minutes through Governorhub. Additionally, the Trustees have budgeted specifically for access to the Local Authority's governor training package which enables Trustees to access training and development activities that align to their identified skills needs. Trustees have opportunities to visit each academy as part of the Trust's 'open door' policy and through their link roles, although the coronavirus pandemic has limited these opportunities this year.

GovernorHub also provides Trustees with an appropriate forum to share best practice and information from the Governor Support Team. Access to The Key for Governors and Trustees, and regular National Governor Association updates also ensures that Trustees have available to them up to date information, advice, guidance and best practice information.

f. Organisational structure

On 31 August 2020, the Academy Trust comprised the following individual academies:

- Chellaston Academy
- Chellaston Junior School
- Chellaston Infants School
- Homefields Primary School

The Board of Trustees

The Board of Trustees has established an overall framework for the governance of the Trust and determines membership, terms of reference and procedures of committees of the Board of Trustees, Local Governing Bodies and other groups. The Board of Trustees is responsible for setting the strategic direction of the Trust, general policy, adopting an annual development plan and budget, approving the annual statutory accounts, monitoring the performance of the Trust through regular review of financial and other data, approving capital expenditure and making staff appointments. The following decisions are reserved to the full Board of Trustees:

- to consider any proposals for changes to the status or constitution of the Trust and its committee structure.
- to appoint or remove the Chair and / or Vice Chair; and
- to appoint and / or consider the performance management of the CEO and Headteacher(s).

The Board of Trustees receives reports including policies from its committees for ratification. It monitors the activities of the committees through the minutes of their meetings and through direct reporting from the elected Chair of each committee following each meeting. The Trustees may from time to time establish working groups to perform specific tasks over a limited timescale.

Trustees delegate decision making and operational matters to the relevant committees, Local Governing Bodies and the CEO through the Terms of Reference and Schemes of Delegation which include Financial Limits of Authority which are reviewed on an annual basis.

There is one committee of the Board of Trustees, the Finance and Audit Committee. The Committee has its own terms of reference detailing the responsibilities discharged to it.

PEAK MULTI ACADEMY TRUST
(A company limited by guarantee)

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

Structure, governance and management (continued)

The Board of Trustees normally meets six times each year, however, extraordinary meetings are called when circumstances require.

Local Governing Bodies

The Board of Trustees have set up Local Governing Bodies, one for each academy. Their role is to set the mission and vision of the individual academies in line with the Academy Trust plans, oversee the budget that has been devolved to school level, ensuring effective use of resources, monitor progress against targets and OFSTED standards and engage with parents and local community stakeholders.

Local Governing Bodies meet according to a set annual schedule and meet more frequently when required.

The Chief Executive Officer

The CEO has delegated responsibility for the performance of each academy. The day to day management of each Academy is delegated to the Executive Team under the direction of the CEO who approves the development plans for each academy in consultation with the headteachers.

The CEO has an Executive Team which manages the performance and effectiveness of the Senior Leadership Team and Middle Leaders in the Academies, who in turn manage the effectiveness and performance of the teaching and support staff. The CEO is the Trust's Accounting Officer and has overall responsibility for the day to day financial management of the Trust. The Senior Leadership Team implements the policies laid down by the Trustees and reports back to them on performance.

Communication and Consultation

Decisions are made at the appropriate level as set out in the Schemes of Delegation. Executive decisions will be made by the CEO or a Headteacher/Head of School. Where decisions may impact directly on employees, for example in setting or changing HR policies or staff terms and conditions, local arrangements are made to consult staff as a group and through recognised Trade Unions.

The Trust Board and CEO have established a communication framework to ensure regular dialogue with the Local Governing Boards, to ensure the cascade of relevant communication and consistency in standards.

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

The Board of Trustees, the CEO and the Executive Team are the key management personnel (as defined by FRS 102) of the Trust having authority and responsibility for planning, directing and controlling the activities of the Trust.

All Trustees give of their time freely and no Trustee received any remuneration in the current or prior year, other than those Trustees who are also employees of the Academy Trust. During the 2019/20 reporting year there were no trustees who were also employees of the Academy Trust. Where trustees were paid expenses these are disclosed in note 12 of the financial statements.

The pay of the CEO is reviewed annually by the Board of Trustees as an outcome of the CEO's performance management. The Board of Trustees, supported by an external adviser, will consider and determine the extent to which the CEO has met the targets set for the year and will decide whether to award a pay increment which will be within the range set for the post.

The pay of the Executive Team is reviewed annually by the CEO as an outcome of performance management and in line with the published pay scales for both teaching and administrative staff and by reference to available information on similar roles in other similar Academy Trusts.

Pay and remuneration for key management personnel joining the Trust will be set in line with published pay scales for both teaching and administrative staff and by reference to available information on similar roles in other similar Academy Trusts.

PEAK MULTI ACADEMY TRUST
(A company limited by guarantee)

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

Structure, governance and management (continued)

h. Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the year	1
Full-time equivalent employee number	1

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	1
1%-50%	-
51%-99%	-
100%	-

Percentage of pay bill spent on facility time	£
Total cost of facility time	-
Total pay bill	11,816,697
Percentage of total pay bill spent on facility time	- %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	- %
---	-----

i. Related parties and other connected charities and organisations

Peak Multi Academy Trust enjoys a wide range of partnerships and collaborations, both formal and informal which have been established to promote the core aims of the Academy.

At a local level, Chellaston Academy is part of the Derby Secondary Strategic Group, which involves all of the Secondary Schools in the City. This is a formal organisation which works together to promote the best possible educational outcomes for City students. Chellaston Academy also play a part in sharing arrangements for hard to place students and for students who are new arrivals to the City. Two Headteachers from the primary academies are participants of the primary Headteachers Strategic Leadership and Management Group (HSLM).

Chellaston Academy and Homefields Primary School continue to be members of the Derby Teaching School Alliance (DTSA) and the Homefields Headteacher continues to be an executive member of DTSA. Homefields Primary School is a Teaching School and has developed links with other education providers for the training of new teachers.

A number of staff from all four academies worked in partnership with a range of other schools in programmes and strategies which promote Teaching and Learning in the City.

The Trust maintains a register of Business Interests for individuals serving on the governing bodies, key management personnel and Trustees and this is published on the Peak Multi Academy Trust website.

PEAK MULTI ACADEMY TRUST
(A company limited by guarantee)

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

Structure, governance and management (continued)

j. Engagement with employees (including disabled persons)

The Academy Trust's policy is to consult and discuss with employees, through recognised trade unions and at meetings, matters likely to affect employees' interests. Information about matters of concern to employees is given through information bulletins, reports and meetings which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the Trust's performance.

During employment, the Trust seeks to work with employees, taking into account their personal circumstances, to ensure appropriate training, development and employment opportunities are available to them to reach their full potential.

The Trust recognises the strengths of a workforce made up of people from diverse backgrounds. It is keen to ensure that, wherever possible, posts are accessible to disabled persons. Job descriptions, person specification and selection procedures are reviewed regularly to ensure that there is no bias preventing or discouraging disabled persons from applying. This is in keeping with the Equality Act 2010, but other factors are also taken into account. The Trust is committed to interviewing all applicants with a disability for a job vacancy who meet the essential elements of the person specification, ensuring that employees who become disabled are given every chance to remain in employment by making reasonable adjustments and providing training and development general awareness of disability issues.

k. Engagement with suppliers, customers and others in a business relationship with the Trust

The Trustees' statement under this heading is incorporated into the section "Promoting the Success of the Academy Trust" in the Strategic Report below.

Objectives and activities

a. Objects and aims

The principal objects of the Academy Trust, as set out in its Articles of Association, are to:

- advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school, offering a broad and balanced curriculum; and
- promote for the benefit of the inhabitants of Chellaston, Derby and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity, disablement, financial hardship or social and economic circumstances for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

The aims of the Academy Trust during the year ended 31 August 2020 are summarised below:

1. Offer a broad, balanced and creative curriculum, which enables all our young people to achieve the very best outcomes and leave education well prepared for the next step in their lives.
2. To deliver high quality teaching, learning and assessment, and effective leadership at all levels.
3. To develop the culture and individuality of our academies, building a strong community in and around us.
4. To offer a rewarding and stimulating workplace for staff.
5. To provide a strong, safe and financially sustainable environment.

PEAK MULTI ACADEMY TRUST
(A company limited by guarantee)

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

Objectives and activities (continued)

b. Objectives, strategies and activities

The key priorities for the period are contained in the Trust's Development Plan which is available from the CEO. The key activities of the Trust for the year ended 31 August 2020 were focused as follows:

1. Respond to Ofsted recommendations identified in the latest report(s).
2. Continuing to develop education standards and performance across all settings.
3. Responding to the impact of Covid-19 and ensuring the Trust was able to provide education and care for all students.
4. Development of a safe working environment across all schools through Capital projects.
5. Build on Leadership and Governance standards across the Trust at all levels.
6. Ensure the Trust is compliant in all areas of health and safety, finance and governance.

c. Public benefit

The Trust aims to advance for the public benefit education in the Chellaston, Derby and the surrounding area, offering a broad curriculum and an excellent education environment for its pupils. The Trust also allows use of its facilities for recreational and other leisure time occupation for the community at large in the interests of social welfare and with the aim of improving the life of that community.

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

Strategic Report

Achievements and performance

Peak Multi Academy Trust continues to evolve and to adapt to the ever-changing educational environment. The Trust is in its second year of operation since the four schools came together in a multi academy trust. The total number of pupils on roll in the year ended 31 August 2020 was 2,973 this has decreased to 2,932 at the October 2020 census. The Trust has worked in partnership with the Local Authority to secure funding for the expansion of facilities within the Trust to accommodate additional pupils and increase the net capacity figure. Expansion will take place during 2020/21.

The Trust is committed to continual improvement in positive outcomes for children and young people, which is achieved in a number of ways, including improvement planning, review meetings, continual professional development, lesson observations, performance management, self evaluation, data analysis and action planning. The Trust would normally report here the headline examination results for each academy however due to the impact of the coronavirus pandemic the government closed all educational settings from 20 March 2020 to everyone except the children of key workers and vulnerable children. Therefore, exams and assessments were cancelled to give pupils, parents, and teachers certainty, and enable schools and colleges to focus on supporting vulnerable children and the children of critical workers. There are no results to report for Chellaston Juniors, Chellaston Infants or Homefields Primary for 2020, however, the Trust is able to report the results of the centre assessments at Chellaston Academy as follows:

PEAK MULTI ACADEMY TRUST
(A company limited by guarantee)

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

Objectives and activities (continued)

Chellaston Academy (centre assessment results)

Key Stage 4 Headlines summer 2020		Key Stage 5 Headlines summer 2020	
Measure	Performance	Measure	Performance
Attainment 8	56.09	L3 Overall Value Added	0.19
Progress 8	0.39	L3 Average Grade	B-
% 9 – 1	99.9%	A*-B	57.5%
% 9 – 7	32%	A*- A	31.3%
% 4+ English and Maths	83.6%		
% 5+ English and Maths	65.4%		
% Ebacc Entry	77%		
Average Ebacc Point Score	5.35		

Outcomes based on centre assessments for pupils at both key stage four and key stage five follow previous trends at the academy and continue to be strong.

Ofsted Visits

Between 9 and 10 July 2019 Chellaston Academy received an Ofsted inspection under Section 5. The outcome of that inspection was:

Overall effectiveness:	Inadequate
Effectiveness of leadership and management:	Inadequate
Quality of teaching, learning and assessment:	Good
Personal development, behaviour and welfare:	Requires improvement
Outcomes for pupils:	Good
16 to 19 study programmes	Inadequate

In the Ofsted inspection report, Ofsted highlighted a number of concerns, including that:

- The arrangements for safeguarding are not effective.
- Senior leaders and trustees have failed to ensure that safeguarding is effective in the sixth form.
- Senior leaders and trustees have failed to take the swift action needed to improve the sixth form.
- Too many students are routinely absent from the sixth form, particularly in Year 12.
- Governance is not effective.
- Trustees have failed to ensure that safeguarding within the sixth form is effective.

This full inspection was followed by an Ofsted Monitoring Visit on 11 February 2020. The outcome of the monitoring visit was that:

- Leaders and managers were not taking effective action towards the removal of the serious weaknesses designation.
- Senior leaders' oversight and monitoring of safeguarding is not rigorous enough.

The Trustees recognise that progress towards the removal of the serious weaknesses designation was not sufficiently rapid, however Ofsted did acknowledge that the Trustees had taken effective action to restructure the senior leadership team which had increased the school's capacity to make further improvements. Ofsted recognised that the new leaders were having a positive effect and that the quality of local governance was continuing to improve.

There were no Ofsted visits for any other school within the Trust. The previous designations prior to conversion were as follows:

Chellaston Juniors	Good
Chellaston Infants	Good
Homefields Primary	Outstanding

PEAK MULTI ACADEMY TRUST
(A company limited by guarantee)

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

(continued)

Termination Warning Notice

On 16 July 2020 the Regional Schools Commissioner issued a Termination Warning Notice to Peak Multi Academy Trust in relation to Chellaston Academy as a result of the Ofsted inspection and monitoring visit outcomes. Since that date Trustees have been working with the RSC and ESFA to secure an appropriate sponsor MAT for Chellaston Academy.

Rebrokerage of Chellaston Academy

On 10 December 2020 the Regional Schools Commissioner's Headteacher Board met and determined that Chellaston Academy would be rebrokered to QEGSMAT with an intended transfer date during the Summer 2021 term.

Impact of Coronavirus control measures

Coronavirus has impacted on the academy trust activities by necessitating the development of systems of remote teaching, working and governance for the majority of stakeholders.

Practical lessons and activities, examinations and several large school trips have been cancelled

a. Key performance indicators

The Academy Trust uses a number of benchmarks or performance indicators to evaluate its financial performance and drive budgetary control and monitoring.

A key financial performance indicator for the Trust is the level of reserves held at the balance sheet date and, in particular, the amount of unrestricted reserves plus restricted income reserves at year end. At 31 August 2020, the balance of the unrestricted and restricted income reserves was £1,347,645 (2019: £938,068), which is after transfers of £30,917 to the restricted fixed asset fund to fund capital expenditure during the year. Further details on the level of reserves held by the Trust are set out in the Reserves Policy section below.

As the majority of the Trust's funding is driven by pupil numbers, forecast pupil numbers is also a key performance indicator. As noted earlier in this report, pupil numbers (inclusive of nursery) at the most recent census were 2,932 which is a decrease of 41 from the previous Autumn census.

Staffing costs are another key performance indicator for the Academy Trust and the percentage of total staff costs to total educational grant funding (being GAG funding plus other operating educational grants from the ESFA and/or Local Authority) for the year was 87.5% (2019: 90.5%), while the percentage of staff costs to total costs (excluding depreciation and LGPS FRS102 pension cost charges) was 81.3% (2019: 76.9%).

b. Going concern

The Trustees have considered carefully the future financial viability of Peak Multi Academy Trust given the decision of the Regional School's Commissioner's Headteacher Board to rebroker Chellaston Academy from the Trust to QEGSMAT intended to transfer in the Summer 2021 term. Whilst the removal of the largest academy in the Trust does not in itself alter the going concern basis, Trustees recognise that the Trust would be in a weaker financial position going forward without Chellaston Academy. Trustees have taken the decision therefore to seek the permission of the Regional Schools Commissioner to transfer the remaining academies in the Trust to a suitable MAT in order to secure their successful school improvement journey in a new MAT which has the capacity and resources to provide the support that is required. Trustees are planning to transfer the academies into another MAT in the Summer 2021 term.

PEAK MULTI ACADEMY TRUST
(A company limited by guarantee)

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

(continued)

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future until the academies are transferred to another MAT when the intended transfers take place in the Summer 2021 term. For this reason, the Multi Academy Trust has not adopted 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 within the financial statements.

c. Promoting the success of the company

The Trustees have acted in a way which they consider, in good faith, promotes the success of the Trust for the benefit of its pupils and their parents, the Department for Education and the Education and Skills Funding Agency as principal funders and regulators, its suppliers and local wider school community as a whole, and in doing so have given regard to (amongst other matters):

Our educational business relationships and community

With a highly committed and dedicated workforce, the Trust takes great pride in listening to what our pupils, parents and local community want and continues to provide the level of education outcomes and results that they have come to expect. The Trust continues to evolve and to adapt to the ever-changing educational environment, leading to the continued increase in the awareness of the Trust's overall activities and educational performance.

As an education focused charitable organisation, public benefit is also at the heart of all we do. The details in the "Objectives and Activities" and "Achievements and Performance" section of the Trustees' report above provide full details of the impact of our activities and our achievements for the year.

With respect to suppliers, the Trust's policy for the payment of suppliers is to agree to terms of payment in advance in line with normal commercial practices and, provided a supplier performs in accordance with the agreement, to abide by such terms.

The Trust is at the centre of the Chellaston community and enjoys the support of local residents. Chellaston is a growing community and the Trust has worked with the Local Authority to bring forward plans to increase capacity within the Trust to accommodate additional pupils in the future.

The Trust is also committed to contributing towards combating the threat of global warming by using energy efficient measures to reduce CO₂ emissions throughout its buildings, facilities and operations.

Our stakeholders

In addition to our pupils, parents, suppliers and wider local community, the Trustees also recognise the importance of their relationship with the Department for Education (DfE) and the Education and Skills Funding Agency (ESFA), as principal funders, regulators and stakeholders. The Trustees are committed to effective engagement with the DfE and the ESFA (and their representatives) and recognise that its success depends on the Trustees' and senior management's ability to engage with them effectively and to work with them constructively, taking into account their guidance and best practice initiatives, whilst also working in line with the specific requirements of the Trust's funding agreement and the Academies Financial Handbook.

Our people

The Trust's key asset is its people. It employs over 396 staff, including agency workers, and it is only through the combined effort of this workforce, together with our supporters and volunteers, that we can change the lives of the children under our care. The Trust encourages the involvement of all employees in the decision-making processes that impact on them directly and further details on our engagement with our people is detailed in the "Engagement with Employees (including Disabled Persons)" section of the Trustees' report above.

PEAK MULTI ACADEMY TRUST
(A company limited by guarantee)

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

(continued)

Our Members

The Trustees are committed and openly engaged with our Members through regular and effective dialogue with them, including through an Annual General Meeting and annual strategy and vision day. The Members are actively engaged in understanding our strategy and vision for the future, our culture and ethos, our people and our educational performance and standards.

Maintaining a reputation for high standards

The Trust has been in existence for nineteen months, and continues to build on the high standards of each of its academies. The Trust continues to be a popular choice for the local community with many families having children in a number of key stages throughout the Trust. Numbers on roll continue to grow, including in the Sixth Form where applications for September 2021 are already exceeding expectations.

The information in the "Achievements and Performance" section of the Trustees' report above provide full details of our achievements during the year and the standards of educational performance we have achieved for all our stakeholders.

Financial review

The majority of the Academy Trust's income is received from the Education and Skills Funding Agency ('ESFA') in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2020 and the associated expenditure of these grants are shown as restricted funds in the Statement of Financial Activities.

The Academy Trust also receives grants for fixed assets from the ESFA and other organisations / funders and these are shown as restricted fixed asset funds in the Statement of Financial Activities. The balance of the restricted fixed asset fund is reduced by the depreciation charges on the assets acquired using these funds.

For the year ended 31 August 2020, the Academy Trust's total income (excluding capital grants and pension deficit acquired on conversion) was £14,876,795 (2019: £11,416,788) while the total expenditure (excluding depreciation and LGPS FRS102 pension cost charges) was £14,436,301 (2019: £11,162,667), resulting in a net surplus for the year of £440,494 (2019: £254,121).

The balance of reserves at 31 August 2020, excluding the restricted fixed asset funds and LGPS liability fund was £1,347,645 (2019: £938,068).

Impact of Coronavirus

Coronavirus has impacted on the Trust's financial results with an overall increase in restricted revenue funds due to the reduction in costs during lockdown.

Significant cost reduction has been reflected in supply teacher expenditure, salary costs relating to delayed replacement of contracted staff leaving in year, invigilation and entry fees due to the cancellation of the summer examinations in addition to reduced utility and resources costs due to restricted opening.

Additional cost has been incurred relating to site maintenance and cleaning and development of remote learning

There has been considerable reduction in income relating to catering provision, the Zone, Breakfast and After School Clubs and lettings with a disproportionate decrease in related expenditure.

The completion of Opportunity Area projects has been delayed to 2020/21. Site improvement work has been delayed.

PEAK MULTI ACADEMY TRUST
(A company limited by guarantee)

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

The net book value of fixed assets at 31 August 2020 were £33,514,014. The fixed assets held by the Trust are used exclusively for providing education and associated support services to the pupils of the Trust.

Included within the Academy's balance sheet at year end is a defined benefit pension scheme liability of £5,554,000 (2019: £5,884,000), which arises from the deficit in the Local Government Pension Scheme ("LGPS") that is attributable to the Academies. Further details regarding the deficit in the LGPS at 31 August 2020 are set out in note 25 to the financial statements.

Reserves Policy

The key financial policies reviewed and adopted during the period included the Financial Procedures Policies and Manual, which lays out the framework for the Academy Trust's financial management, including financial responsibilities of the Board of Trustees, CEO, Headteachers, managers, budget holders and other staff, as well as the delegated authorities for spending. The other financial policies reviewed and adopted during the period included Charges and Lettings, Asset Management and Insurance.

The Finance and Audit Committee review the reserve levels of the Academies on a regular basis as part of their regular monitoring of the Academy finances. This review encompasses the nature of the income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees also take into consideration the future plans of the Trust, the uncertainty over future income streams and other key risks identified during the risk review.

The Trustees have determined that the appropriate level of free cash reserves should be approximately 1 month of operational costs. The reason for this is to provide sufficient working capital to cover delays between spending and receipts of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance, long term staff absences etc.

The Trust's current level of reserves at 31 August 2020 is £29,513,736 (2019: £29,326,514), of which £771,834 (2019: £765,875) is unrestricted reserves (that is, total funds less the amount held in total restricted funds).

Although the current level of unrestricted reserves is above the target level identified above, the Trustees expectation is that these reserves will be utilised over the next few years to fund the ongoing development, including the need to retain key staff in light of the increasing cost pressures in future years.

The value of the restricted fixed asset fund at 31 August 2020 is £33,720,091 (2019: £34,272,446), which is represented by the fixed assets that are used exclusively for providing education and associated support services to the pupils of the Trust. These funds can only be realised by disposing of the associated tangible fixed assets.

The pension reserve fund has a deficit balance at 31 August 2020 of £5,554,000, which represents the deficit in the LGPS at the balance sheet date. The Trustees have noted however that the Government has provided a guarantee that in the event of an Academy closure, any outstanding LGPS liabilities would be met by the Department for Education.

Coronavirus has resulted in an increase in the Trust's reserves due to the reduction in costs during lockdown. This represents both permanent savings and cost reductions due to postponed outlay.

a. Investment policy

In furtherance of the Objects Peak Multi Academy Trust may deposit or invest any funds of the Academy Trust not immediately required for the furtherance of its Objects only after obtaining such advice from a financial expert, authorised to give investment advice under the Financial Services and Markets Act 2000, as the Governors consider necessary and having regard to the suitability of investments and the need for diversification.

Cash balances, not immediately required, will be transferred HSBC Money Market on short-term risk-free deposits, to obtain a higher interest rate.

**PEAK MULTI ACADEMY TRUST
(A company limited by guarantee)**

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

b. Principal risks and uncertainties

The Trustees have assessed the major risks to which the Academy Trust is exposed, especially in the operational areas, such as teaching, health & safety, safeguarding and school trips, and in relation to the control of finances and strategic development of the Trust. They have introduced systems, including operational procedures and internal financial controls in order to minimise risk and have agreed a Risk Management Strategy and Risk Management Plan, which incorporates a Risk Register.

Where significant financial risk still remains, the Trustees have ensured the Academy Trust has adequate insurance cover in place. The Risk Management Plan is constantly reviewed in light of any new information and formally reviewed annually.

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

Standards and Performance

The continuing success of the academies in the Trust is dependent on continuing to attract pupils in sufficient numbers by maintaining the highest educational standards across all key stages. To mitigate this risk, the Trustees ensure that pupil success and achievement are closely monitored and reviewed, with corrective actions embedded at an early stage, and that relationships and partnerships with parents, the local community and other organisations and groups are maintained and are effective in producing a cohesive and supportive community.

Trustees are aware of the impact of an adverse Ofsted inspection on the reputation of the Trust and are continuing to work with RSC and ESFA to restore the reputation of the Trust in the local community and with RSC and ESFA.

The full impact of the Termination Warning Notice issued in July 2020 has been recorded in the Risk Register and appropriate actions taken to ensure that all academies have a secure future.

Safeguarding and child protection

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

Financial

The Trust is reliant on continued Government funding through the ESFA (and Local Authority). In the year, approximately 92% of the Academy Trust's income was ultimately Government funded. Whilst this level is expected to continue, there is no guarantee that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms, particularly in light of continuing changes to the National Funding Formula for schools. Initial indications are that the implementation of the National Funding Formula will be beneficial to all schools in Peak MAT.

Continuing increases in employment costs, including pension costs associated with both the Teachers' Pension Scheme and the Local Government Pension Scheme, and premises costs will also continue to place significant pressure on the Trust's financial position and its ability to deliver balanced budgets in the future.

The Trustees examine the financial health of the Trust formally every term, reviewing performance against budgets and overall expenditure by means of regular update reports at all full Trustees and Finance and Audit Committee meetings and monthly Trustees Reports to the Finance and Audit Committee.

Staffing

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

**PEAK MULTI ACADEMY TRUST
(A company limited by guarantee)**

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

planning.

Failures in governance and / or management

The risk in this area arises from the potential failure to effectively manage the Trust's finances, internal controls, compliance with regulations and legislation, statutory returns etc. The Trustees continue to review and ensure appropriate measures are in place to mitigate these risks, which includes those relating to fraud and mismanagement of funds.

Fraud and mismanagement of funds

The Trust has engaged Dains LLP as internal auditor to perform a program of work aimed at checking and reviewing the financial systems and records as required by the Academies Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and to develop their skills in this area.

At the balance sheet date, the Trust had no significant liabilities arising from trade creditors or debtors where there would be a significant effect on the Academy Trust's liquidity.

The Trustees recognise that the LGPS deficit represents a significant potential liability to the Trust. However, as the Trustees consider the Trust is able to meet its known annual contribution commitments for the foreseeable future, the risk from this liability is minimised.

Fundraising

The Academy Trust raises funds for specific projects that will enhance the learning experience and environment for existing and future students, where funds cannot be accessed via existing channels such as government education funding. Fundraising is primarily undertaken by staff or parents; no professional fundraisers or commercial participants work with the Trust currently. Fundraising is undertaken in line with the Fundraising Regulator's Code of Fundraising Practice and is monitored by the central finance function of the Trust. The Academy Trust is mindful of the requirement to protect the public, particularly vulnerable people, from unreasonably intrusive or persistent fundraising approaches or undue pressure to donate. No complaints have been received in respect of fundraising activities; the general complaints policy of the Trust would be applicable if so.

PEAK MULTI ACADEMY TRUST
(A company limited by guarantee)

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

Streamlined energy and carbon reporting

UK Greenhouse gas emissions and energy use data for the period 1 September 2019 to 31 August 2020

<u>Energy consumption used to calculate emissions (kwh)</u>	3,099,263.9
<u>Energy consumption break down (kwh) (optional)</u> • gas • electricity • transport fuel	2,303,042.9 780,680.9 15,541
<u>Scope 1 emissions in metric tonnes CO2e</u> Gas consumption Owned transport – mini-buses <u>Total scope 1</u>	423.46 2.94 426.40
<u>Scope 2 emissions in metric tonnes CO2e</u> Purchased electricity	182.00
<u>Scope 3 emissions in metric tonnes CO2e</u> Business travel in employee owned vehicles	0.00
<u>Total gross emissions in metric tonnes CO2e</u>	608.40
<u>Intensity ratio</u> Tonnes CO2e per pupil	0.20

Quantification and reporting methodology:

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2020 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency

We have installed smart meters across all sites and increased video conferencing technology for staff meetings, to reduce the need for travel between sites.

PEAK MULTI ACADEMY TRUST
(A company limited by guarantee)

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

Plans for future periods

The Trust strives to improve outcomes for all pupils, equipping them with the qualifications, skills and character to follow their chosen pathway, whether it is into further and higher education or employment, as well as promoting the continued professional development of its staff.

The Trust's plans for future periods are:

- to continue implementing the school improvement strategies set out in each academy development plan;
- to work with RSC and ESFA to secure a multi academy trust partner with capacity and resources which will receive Chellaston Junior School, Chellaston Infant School and Homefields Primary School when they are transferred from Peak Multi Academy Trust;
- to work with QEGSMAT to ensure that the rebrokerage of Chellaston Academy to QEGSMAT takes place smoothly and to timescale;
- to ensure that pupil and staff safety and wellbeing remain a priority during the transition period including taking appropriate Covid-19 control measures; and
- oversee the orderly solvent wind up of Peak Multi Academy Trust.

Funds held as custodian on behalf of others

The Academy Trust and its Trustees do not act as Custodian Trustees of any other charity.

The Academy does however hold Post 16 Bursary Funds on behalf of the ESFA, which are distributed to students as required and in line with the terms and conditions of the funds.

Disclosure of information to auditors

Insofar as the Trustees are aware:

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

Auditors

On 23 July 2020, Dains LLP resigned as the Academy Trust's auditors. Cooper Parry Group Limited were appointed to fill the resulting vacancy. Cooper Parry Group Limited have expressed their willingness to continue in office as auditors and will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

The Trustees' report was approved by order of the Board of Trustees, as the company directors, on 26 January 2021 and signed on its behalf by:



A Witheford
Chair of Trustees

PEAK MULTI ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive, 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 Multi Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The Board of Trustees has formally met 7 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
N Hollis, Chair of Trustees	7	7
B Quinn, Vice Chair	7	7
J Rouse, Trustee	7	7
B Ames, Trustee	6	7
J Gill, Trustee	4	7
P Withey, Trustee	7	7
J King, Trustee	6	7
D Williams, Trustee	7	7
A Witheford, Chair of Trustees	0	0

Scope of Responsibility

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

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

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive, 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 Multi Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

The Board of Trustees reviewed the Trust's governance structure during the year to evaluate its impact and effectiveness. The Board of Trustees has a wide range of skills that contribute to the successful governance of the Trust and are satisfied that the current structure in place is appropriate and effective for the Trust.

Coronavirus has impacted on the governance arrangements in place and the Trust has responded by developing remote meeting protocols and practices to ensure that all requirements were met and fulfilled. This change in the method and mode of meeting has proven to be positive, enabling the Trust Board in particular, to be agile in responding to emerging issues and making key and timely decisions.

The Finance and Audit Committee is a sub-committee of the main Board of Trustees. Its purpose is to provide

PEAK MULTI ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

oversight, guidance and assistance to the Board of Trustees on all matters related to finance, resources, premises and Health & Safety of the Trust. This committee also acts as the Trust's Audit Committee, where its purpose is to maintain an oversight of the Trust's governance, risk management, internal control and value for money framework. The key issues dealt with by the Finance and Audit Committee during the year were the review of the Academy Trust's three year financial forecasts and the actions required to address the funding changes expected over this period.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr Nick Hollis	5	5
Mr John Rouse	5	5
Mr Dave Williams	5	5

Review of value for money

As accounting officer, the Chief Executive has responsibility for ensuring that the 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 period, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where available. The Accounting Officer for the Trust has delivered value for money during the year by:

- Setting spending limits and required authority level within the purchase order system in line with the scheme of delegation
- Ensuring that competitive tender have been obtained for procurement in line with the Financial Regulations Policy, eg external audit provision
- Trustees have considered benchmarking data in their discussions at budget approval

Coronavirus Impact on Value for Money

Coronavirus has impacted on Value for Money by generating additional health and safety costs, not previously required, at a time when suppliers have increased the cost of these supplies. Reduced availability due to high demand has impacted on the ability to achieve value for money and secure goods and services.

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 the Academy Trust's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The system of internal control has been in place in the Trust for the period from 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

PEAK MULTI ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Trust's significant risks that has been in place for the period from 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The risk and control framework

The 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 Trustees;
- regular reviews by the Finance and Audit Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- monthly meetings between the Chair of Finance and Audit Committee, Director of Business and Finance and Finance Manager;
- monthly finance reports to the Local Governing bodies;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The Board of Trustees has decided to employ Dains LLP as internal auditor.

Dains LLP have previously acted as external auditors in addition to providing internal audit services. For the current year the Trustees have appointed Cooper Parry as external auditors after a competitive tendering process and, following the newly revised FRC Ethical Standards for Auditors, have retained Dains for internal audit scrutiny services for continuity and consistency.

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

- review of and testing of income recognition and recording systems and procedures
- review of and testing of payroll systems and procedures
- review of and testing of procurement systems and procedures
- review of management information preparation procedures, including information prepared for and presented to the Board of Trustees

On an annual basis, the internal auditor reports to the Board of Trustees through the Finance and Audit committee on the operation of the systems of control and on the discharge of the Board of Trustees financial responsibilities and annually prepares a short 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.

The auditor has delivered their program of work during the year ended 31 August 2020 remotely in May during lockdown. A small number of internal control weaknesses were identified from the work completed and the Trustees and management have developed an action plan to address these weaknesses and improve internal controls over the next 6 months.

**PEAK MULTI ACADEMY TRUST
(A company limited by guarantee)**

GOVERNANCE STATEMENT (CONTINUED)

Review of effectiveness

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

- the work of the internal auditor;
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the school resource management self-assessment tool;
- the work of the executive managers within the 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 Finance and Audit committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

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



A Witheford
Chair of Trustees
Date: 26 January 2021



A Martin
Accounting Officer

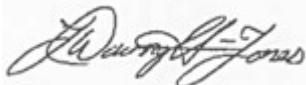
PEAK MULTI ACADEMY TRUST
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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



J Wainwright-Jones
Accounting Officer (21/07/2020 - 21/09/2020)
Date: 26 January 2021



A Martin
Accounting Officer (22/09/2020 - present)
Date: 26 January 2021

PEAK MULTI ACADEMY TRUST
(A company limited by guarantee)

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

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make 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 of Trustees and signed on its behalf by:



A Witheford
Chair of Trustees
Date: 26 January 2021

PEAK MULTI ACADEMY TRUST
(A company limited by guarantee)

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

Opinion

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

In our opinion the financial statements:

- give a true and fair view of the state of the Multi Academy Trust's affairs as at 31 August 2020 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Multi Academy Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions related to going concern

We draw attention to note 1.2 in the financial statements, which indicates that the Trustees intend to wind down the Trust following the transfer of the constituent Academies to other Trusts following Headteacher Board decisions taken to rebroker the Academies that arose after the year end. As stated in note 1.2, these events or conditions, along with the other matters as set forth in note 1.2, confirm that the Multi Academy Trust will not continue to operate for a period of at least 12 months from the date of approval of these accounts. The Trustees have prepared the financial statements on the basis that the Multi Academy Trust's is no longer a going concern. Our opinion is not modified in respect of this matter.

PEAK MULTI ACADEMY TRUST
(A company limited by guarantee)

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Other information includes the Reference and administrative details, the Trustees' report including the Strategic report, and the Governance statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has 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 Multi Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

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

Responsibilities of trustees

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

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

PEAK MULTI ACADEMY TRUST
(A company limited by guarantee)

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

Auditors' responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

Use of our report

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



Simon Atkins FCA (Senior statutory auditor)

for and on behalf of
Cooper Parry Group Limited

Chartered Accountants
Statutory Auditor

One Central Boulevard
Blythe Valley Business Park

Solihull
West Midlands
B90 8BG

26 January 2021

PEAK MULTI ACADEMY TRUST
(A company limited by guarantee)

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

In accordance with the terms of our engagement letter dated 18 November 2020 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Peak Multi Academy Trust during the year 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Peak Multi Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Peak Multi Academy Trust's funding agreement with the Secretary of State for Education dated 24 November 2010 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2019 to 2020. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2019 to 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw our conclusions included:

- Reviewing the internal control policies and procedures implemented by the Academy Trust and evaluating their design and effectiveness to understand how the Academy Trust has complied with the framework of authorities;
- Reviewing the minutes of meetings of the Trustees, relevant sub-committees and other evidence made available to us, relevant to our consideration of regularity;
- Enquiries of the Accounting Officer, including reviewing the work undertaken by the Accounting Officer in relation to their Statement on Regularity, Propriety and Compliance; and

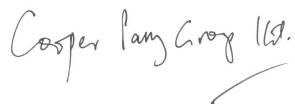
PEAK MULTI ACADEMY TRUST
(A company limited by guarantee)

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

- Detailed testing of the income and expenditure of the Academy Trust based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit of the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

Conclusion

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



Reporting Accountant
Cooper Parry Group Limited
Chartered Accountants
Statutory Auditor

Date: 26 January 2021

PEAK MULTI ACADEMY TRUST
(A company limited by guarantee)

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

	Note	Unrestricted funds 2020	Restricted funds 2020	Restricted fixed asset funds 2020	Total funds 2020	Total funds 2019
		£	£	£	£	£
Income from:						
Donations and capital grants	3	30,371	-	266,290	296,661	15,145,978
Charitable activities	4	173,024	13,878,549	-	14,051,573	10,420,571
Other trading activities	5	790,018	-	-	790,018	701,048
Investments	6	4,833	-	-	4,833	6,796
Total income		998,246	13,878,549	266,290	15,143,085	26,274,393
Expenditure on:						
Raising funds		919,936	-	-	919,936	698,980
Charitable activities	8	72,351	14,276,014	849,562	15,197,927	11,467,213
Total expenditure		992,287	14,276,014	849,562	16,117,863	12,166,193
Net income/ (expenditure)		5,959	(397,465)	(583,272)	(974,778)	14,108,200
Transfers between funds	18	-	(30,917)	30,917	-	-
Net movement in funds before other recognised gains/(losses)		5,959	(428,382)	(552,355)	(974,778)	14,108,200
Other recognised gains/(losses):						
Actuarial gains/(losses) on defined benefit pension schemes	25	-	1,162,000	-	1,162,000	(2,143,000)
Net movement in funds		5,959	733,618	(552,355)	187,222	11,965,200
Reconciliation of funds:						
Total funds brought forward		765,875	(5,711,807)	34,272,446	29,326,514	17,361,314
Net movement in funds		5,959	733,618	(552,355)	187,222	11,965,200
Total funds carried forward		771,834	(4,978,189)	33,720,091	29,513,736	29,326,514

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

The notes on pages 33 to 57 form part of these financial statements.

PEAK MULTI ACADEMY TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 07430289

BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	14	33,514,014	34,119,286
		<hr/>	<hr/>
		33,514,014	34,119,286
Current assets			
Stocks	15	4,571	5,836
Debtors	16	605,902	601,214
Cash at bank and in hand		2,066,741	1,613,412
		<hr/>	<hr/>
		2,677,214	2,220,462
Creditors: amounts falling due within one year	17	(1,123,492)	(1,129,234)
		<hr/>	<hr/>
Net current assets		1,553,722	1,091,228
Total assets less current liabilities		35,067,736	35,210,514
Net assets excluding pension liability		35,067,736	35,210,514
Defined benefit pension scheme liability	25	(5,554,000)	(5,884,000)
		<hr/>	<hr/>
Total net assets		29,513,736	29,326,514
		<hr/>	<hr/>

Funds of the Multi Academy Trust

Restricted funds:

Fixed asset funds	18	33,720,091	34,272,446
Restricted income funds	18	575,811	172,193
		<hr/>	<hr/>
Restricted funds excluding pension asset	18	34,295,902	34,444,639
Pension reserve	18	(5,554,000)	(5,884,000)
		<hr/>	<hr/>
Total restricted funds	18	28,741,902	28,560,639
Unrestricted income funds	18	771,834	765,875
		<hr/>	<hr/>
Total funds		29,513,736	29,326,514
		<hr/>	<hr/>

The financial statements on pages 30 to 57 were approved and authorised for issue by the Trustees and are signed on their behalf, by:

A Witheford
Chair of Trustees
Date: 26 January 2021

The notes on pages 33 to 57 form part of these financial statements.

PEAK MULTI ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash provided by operating activities	20	426,496	50,735
Cash flows from investing activities	21	26,833	362,372
Change in cash and cash equivalents in the year		453,329	413,107
Cash and cash equivalents at the beginning of the year		1,613,412	1,200,305
Cash and cash equivalents at the end of the year	22, 23	<u>2,066,741</u>	<u>1,613,412</u>

The notes on pages 33 to 57 form part of these financial statements

PEAK MULTI ACADEMY TRUST
(A company limited by guarantee)

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

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the Multi Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Multi Academy Trust to continue as a going concern.

Since the year end, the decision was taken by the Headteachers' Board to transfer the Academies to other Trusts (see Note 29 Post Balance Sheet Events).

The intention is that all schools will transfer out of the Trust during the Summer 2021 term, when the activities, assets and liabilities will transfer to the recipient Trusts.

Once the transfer has taken place Peak Multi Academy Trust will cease to operate, and for this reason the Trustees consider that the Multi Academy Trust is no longer a going concern, the accounts have therefore been prepared on a basis other than going concern.

There have been no adjustments to the measurement of the assets and liabilities at 31 August 2020 arising as a result of this decision to prepare the financial statements on the basis the Multi Academy Trust is no longer a going concern.

PEAK MULTI ACADEMY TRUST
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.3 Income

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

• Grants

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

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

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

• Donations

Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.

• Other income

Other income, including the hire of facilities, is recognised in the year it is receivable and to the extent the Multi Academy Trust has provided the goods or services.

1.4 Expenditure

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

• Expenditure on raising funds

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

• Charitable activities

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

All resources expended are inclusive of irrecoverable VAT.

PEAK MULTI ACADEMY TRUST
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.5 Interest receivable

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

1.6 Taxation

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

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

1.7 Tangible fixed assets

Assets costing £2,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Depreciation is provided on the following basis:

Freehold property	-	2%
Long-term leasehold property	-	2%
Building refurbishments	-	10%
Furniture, fittings and equipment-		20%
Computer equipment	-	33%
Motor vehicles	-	25%

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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

1.8 Stocks

Unsold uniforms and catering stocks are valued at the lower of cost and net realisable value.

PEAK MULTI ACADEMY TRUST
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.9 Debtors

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

1.10 Cash at bank and in hand

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

1.11 Liabilities

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

1.12 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments.

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

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

1.13 Operating leases

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

PEAK MULTI ACADEMY TRUST
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.14 Pensions

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

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

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

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

1.15 Fund accounting

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

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

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

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

PEAK MULTI ACADEMY TRUST
(A company limited by guarantee)

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

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 25, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Tangible fixed assets are depreciated over their economic useful lives taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors.

Critical areas of judgment:

The classification of expenditure between restricted and unrestricted funds is considered a critical area of judgement as certain expenditure can be applied to both funds. Where this is the case and the amounts in question are considered material, the expenditure is apportioned to both funding streams on an appropriate basis.

The Academy Trust obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Academy Trust to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

PEAK MULTI ACADEMY TRUST
(A company limited by guarantee)

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

3. Income from donations and capital grants

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
Donations	30,371	-	-	30,371	7,155
Capital Grants	-	-	266,290	266,290	254,605
Transfer from local authority on conversion	-	-	-	-	14,884,218
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	30,371	-	266,290	296,661	15,145,978
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total 2019	242,913	(1,701,540)	16,604,605	15,145,978	
	<hr/>	<hr/>	<hr/>	<hr/>	

4. Funding for the Multi Academy Trust's educational activities

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
DfE/ESFA grants				
General Annual Grant (GAG)	-	11,796,692	11,796,692	9,144,967
Pupil Premium	-	497,633	497,633	119,197
Other DfE Group grants	-	972,002	972,002	437,134
	<hr/>	<hr/>	<hr/>	<hr/>
	-	13,266,327	13,266,327	9,701,298
Other government grants				
Local authority and government grants	-	559,702	559,702	255,298
	<hr/>	<hr/>	<hr/>	<hr/>
	-	559,702	559,702	255,298
Other income				
Staff related income	-	17,007	17,007	35,348
Departmental income	-	22,095	22,095	29,211
School fund	173,024	-	173,024	324,159
Educational visits	-	-	-	49,413
Other income	-	13,418	13,418	25,844
	<hr/>	<hr/>	<hr/>	<hr/>
	173,024	13,878,549	14,051,573	10,420,571
	<hr/>	<hr/>	<hr/>	<hr/>
Total 2019	324,159	10,096,412	10,420,571	
	<hr/>	<hr/>	<hr/>	

PEAK MULTI ACADEMY TRUST
(A company limited by guarantee)

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

5. Income from other trading activities

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Hire of facilities	41,877	41,877	58,069
Catering income and extended services	659,000	659,000	642,979
Insurance refunds	89,141	89,141	-
	790,018	790,018	701,048

6. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Short term deposits	4,833	4,833	6,796
	4,833	4,833	6,796

7. Expenditure

	Staff Costs 2020 £	Premises 2020 £	Other 2020 £	Total 2020 £	Total 2019 £
Expenditure on raising voluntary income:					
Direct costs	626,471	-	293,465	919,936	698,980
Educational activities:					
Direct costs	10,748,444	849,562	1,172,197	12,770,203	9,764,502
Allocated support costs	1,273,609	759,995	394,120	2,427,724	1,702,711
	12,648,524	1,609,557	1,859,782	16,117,863	12,166,193
Total 2019	8,878,280	567,619	2,720,294	12,166,193	

PEAK MULTI ACADEMY TRUST
(A company limited by guarantee)

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

8. Analysis of expenditure by activities

	Activities undertaken directly 2020	Support costs 2020	Total funds 2020	Total funds 2019
	£	£	£	£
Educational activities	12,770,203	2,427,724	15,197,927	11,467,213
Total 2019	9,764,502	1,702,711	11,467,213	

Analysis of support costs

	Educational activities 2020	Total funds 2020	Total funds 2019
	£	£	£
Staff costs	1,273,609	1,273,609	965,763
Staff development	3,796	3,796	9,505
Technology costs	70,017	70,017	26,600
Printing, postage, stationery and telephone	36,853	36,853	19,699
Cleaning costs	91,083	91,083	28,721
Maintenance of premises	320,714	320,714	188,500
Equipment costs	2,467	2,467	2,706
Catering costs	41,409	41,409	16,348
Security costs	56,636	56,636	52,321
Rates	64,463	64,463	52,267
Water rates	30,708	30,708	41,373
Energy	196,391	196,391	134,024
Insurance	69,712	69,712	52,678
Governance costs	81,675	81,675	67,764
Bank charges	2,121	2,121	2,327
Other support costs	86,070	86,070	42,115
	2,427,724	2,427,724	1,702,711

Included within governance costs are legal and professional costs relating to academy conversions and transfers of £Nil (2019: £40,542) and legal and professional costs relating to all other matters of £81,675 (2019: £27,222).

PEAK MULTI ACADEMY TRUST
(A company limited by guarantee)

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

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2020 £	2019 £
Operating lease rentals	24,966	22,616
Depreciation of tangible fixed assets	849,562	663,859
Fees paid to auditors for:		
- audit	13,925	12,200
- other services	2,050	1,825
	<hr/>	<hr/>

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2020 £	2019 £
Wages and salaries	8,956,173	6,761,510
Social security costs	845,702	646,995
Pension costs	2,660,940	1,440,440
	<hr/>	<hr/>
Agency staff costs	119,600	26,878
Staff restructuring costs	66,109	2,457
	<hr/>	<hr/>
	12,648,524	8,878,280

Staff restructuring costs comprise:

	2020 £	2019 £
Severance payments	66,109	2,457
	<hr/>	<hr/>
	66,109	2,457

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

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £Nil (2019: £2,457).

PEAK MULTI ACADEMY TRUST
(A company limited by guarantee)

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

10. Staff (continued)

c. Staff numbers

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

	2020 No.	2019 No.
Teachers	150	155
Administration and support	223	233
Management	23	24
	396	412

The average headcount expressed as full-time equivalents was:

	2020 No.	2019 No.
Teachers	126	110
Administration and support	135	91
Management	23	17
	284	218

d. Higher paid staff

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

	2020 No.	2019 No.
In the band £60,001 - £70,000	3	3
In the band £90,001 - £100,000	1	-
In the band £100,001 - £110,000	-	1
In the band £160,000 - £170,000	1	-

e. Key management personnel

The key management personnel of the Multi Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Multi Academy Trust was £717,094 (2019 £743,328).

PEAK MULTI ACADEMY TRUST
(A company limited by guarantee)

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

11. Central services

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

- Legal services
- Finance and compliance services
- Admissions
- Software licensing
- Free school meal services
- Governor services
- Central staff recharges

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

The Multi Academy Trust charges for these services on a flat percentage levy. The current rate for 2019/2020 is 5%. Charges are revised on a case by case basis for agreed changes to services.

The actual amounts charged during the year were as follows:

	2020 £	2019 £
Chellaston Academy	389,460	-
Chellaston Junior School	94,460	4,213
Chellaston Infant School	54,659	3,333
Homefields Primary School	66,429	1,062
Total	605,008	8,608

12. Trustees' remuneration and expenses

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

	2020 £	2019 £
K Gaiderman (resigned 2019)	Remuneration	Nil
	Pension contributions paid	110,000 - 115,000 Nil

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

13. Trustees' and Officers' insurance

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

PEAK MULTI ACADEMY TRUST
(A company limited by guarantee)

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

14. Tangible fixed assets

	Freehold property £	Long-term leasehold property £	Building refurbishme nt £	Assets under construction £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation								
At 1 September 2019	26,411,538	10,000,000	997,558	96,130	260,316	431,020	85,585	38,282,147
Additions	-	-	8,472	188,989	14,542	32,287	-	244,290
At 31 August 2020	<u>26,411,538</u>	<u>10,000,000</u>	<u>1,006,030</u>	<u>285,119</u>	<u>274,858</u>	<u>463,307</u>	<u>85,585</u>	<u>38,526,437</u>
Depreciation								
At 1 September 2019	2,859,934	48,333	566,541	-	209,638	399,333	79,082	4,162,861
Charge for the year	491,723	200,000	100,603	-	22,160	31,826	3,250	849,562
At 31 August 2020	<u>3,351,657</u>	<u>248,333</u>	<u>667,144</u>	<u>-</u>	<u>231,798</u>	<u>431,159</u>	<u>82,332</u>	<u>5,012,423</u>
Net book value								
At 31 August 2020	<u>23,059,881</u>	<u>9,751,667</u>	<u>338,886</u>	<u>285,119</u>	<u>43,060</u>	<u>32,148</u>	<u>3,253</u>	<u>33,514,014</u>
At 31 August 2019	<u>23,551,604</u>	<u>9,951,667</u>	<u>431,017</u>	<u>96,130</u>	<u>50,678</u>	<u>31,687</u>	<u>6,503</u>	<u>34,119,286</u>

PEAK MULTI ACADEMY TRUST
(A company limited by guarantee)

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

15. Stocks

	2020 £	2019 £
Goods for resale	4,571	5,836
	<hr/> <hr/>	<hr/> <hr/>

16. Debtors

	2020 £	2019 £
Due within one year		
Trade debtors	131,214	45,340
Other debtors	4,245	3,756
Prepayments and accrued income	403,628	457,643
VAT recoverable	66,815	94,475
	<hr/> <hr/>	<hr/> <hr/>
	605,902	601,214
	<hr/> <hr/>	<hr/> <hr/>

17. Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	89,101	269,570
Other taxation and social security	208,496	130,757
Other creditors	70,735	140,680
Accruals and deferred income	755,160	588,227
	<hr/> <hr/>	<hr/> <hr/>
	1,123,492	1,129,234
	<hr/> <hr/>	<hr/> <hr/>

	2020 £	2019 £
Deferred income at 1 September 2019	433,400	430,466
Resources deferred during the year	450,149	433,400
Amounts released from previous periods	(433,400)	(430,466)
	<hr/> <hr/>	<hr/> <hr/>
	450,149	433,400
	<hr/> <hr/>	<hr/> <hr/>

At the balance sheet date the Multi Academy Trust was holding funds received in advance for educational grants and income held for future trips.

PEAK MULTI ACADEMY TRUST
(A company limited by guarantee)

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

18. Statement of funds

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Unrestricted funds						
General Funds	765,875	998,246	(992,287)	-	-	771,834
Restricted general funds						
General Annual Grant (GAG)	76,877	11,796,692	(11,415,135)	(11,367)	-	447,067
Other DfE/ESFA grants	41,993	1,469,635	(1,417,404)	(19,550)	-	74,674
Other government grants	34,238	559,702	(558,955)	-	-	34,985
Other income	19,085	52,520	(52,520)	-	-	19,085
Pension reserve	(5,884,000)	-	(832,000)	-	1,162,000	(5,554,000)
	<u>(5,711,807)</u>	<u>13,878,549</u>	<u>(14,276,014)</u>	<u>(30,917)</u>	<u>1,162,000</u>	<u>(4,978,189)</u>
Restricted fixed asset funds						
DfE/ESFA capital funds	5,200,729	91,600	(251,057)	(51,853)	-	4,989,419
LA capital grants	398,014	174,690	(12,122)	82,770	-	643,352
Inherited on conversion	28,673,703	-	(586,383)	-	-	28,087,320
	<u>34,272,446</u>	<u>266,290</u>	<u>(849,562)</u>	<u>30,917</u>	<u>-</u>	<u>33,720,091</u>
Total Restricted funds	28,560,639	14,144,839	(15,125,576)	-	1,162,000	28,741,902
Total funds	29,326,514	15,143,085	(16,117,863)	-	1,162,000	29,513,736

PEAK MULTI ACADEMY TRUST
(A company limited by guarantee)

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

18. Statement of funds (continued)

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

Restricted general funds

This fund represents grants and other income received by the Multi Academy Trust's operational activities and development.

Pension reserve

The pension reserve included within restricted general funds represents the Multi Academy Trust's share of the pension liability arising on the LGPS pension fund.

Restricted fixed asset funds

Restricted fixed asset funds represent the investment in fixed assets, net of accumulated depreciation, and includes the value of fixed assets transferred to the Academy Trust on conversion of the Schools within the Academy Trust and the value of fixed assets transferred from academies joining the Trust in the current or previous years, together with any capital expenditure funded from restricted or unrestricted funds. Unspent capital grants and capital income are also held in this fund and their use is restricted to the capital projects for which the grant awarded.

Under the funding agreement with the Secretary of State, the Multi Academy Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2020.

Total funds analysis by academy

Fund balances at 31 August 2020 were allocated as follows:

	2020 £	2019 £
Chellaston Academy	1,071,051	732,688
Chellaston Junior School	116,368	37,705
Chellaston Infant School	139,328	149,622
Homefields Primary School	27,379	18,053
Central Services	(6,481)	-
Total before fixed asset funds and pension reserve	1,347,645	938,068
Restricted fixed asset fund	33,720,091	34,272,446
Pension reserve	(5,554,000)	(5,884,000)
Total	29,513,736	29,326,514

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

	Deficit £
Central Services	(6,481)

PEAK MULTI ACADEMY TRUST
(A company limited by guarantee)

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

18. Statement of funds (continued)

A small deficit has arisen on Central Services, owing to restructuring costs incurred at the end of the year, which were not budgeted for, and therefore the Central services charge received from constituent academies was insufficient to cover the outgoings incurred.

It is expected this deficit will be recovered via Central services charged to the academies during 2020/21.

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2020 £	Total 2019 £
Chellaston Academy	6,150,213	979,138	248,089	1,254,184	8,631,624	9,358,822
Chellaston Junior School	1,408,907	474,637	23,825	349,038	2,256,407	962,666
Chellaston Infant School	1,171,226	126,716	27,802	116,590	1,442,334	647,125
Homefields Primary School	1,079,735	170,545	17,254	181,096	1,448,630	225,711
Central Services	938,363	149,044	15,349	386,550	1,489,306	308,000
Multi Academy Trust	10,748,444	1,900,080	332,319	2,287,458	15,268,301	11,502,324

PEAK MULTI ACADEMY TRUST
(A company limited by guarantee)

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

18. Statement of funds (continued)

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Unrestricted funds						
General Funds	572,617	1,274,916	(1,081,658)	-	-	765,875
Restricted general funds						
General Annual Grant (GAG)	14,473	9,144,967	(9,049,220)	(33,343)	-	76,877
Other DfE/ESFA grants	44,278	601,791	(604,076)	-	-	41,993
Other government grants	35,055	255,298	(256,115)	-	-	34,238
Other income	17,524	139,816	(138,255)	-	-	19,085
Pension reserve	(1,621,000)	(1,747,000)	(373,000)	-	(2,143,000)	(5,884,000)
	<u>(1,509,670)</u>	<u>8,394,872</u>	<u>(10,420,666)</u>	<u>(33,343)</u>	<u>(2,143,000)</u>	<u>(5,711,807)</u>
Restricted fixed asset funds						
DfE/ESFA capital funds	5,286,026	165,475	(284,115)	33,343	-	5,200,729
LA capital funds	321,006	89,130	(12,122)	-	-	398,014
Inherited on conversion	12,691,335	16,350,000	(367,632)	-	-	28,673,703
	<u>18,298,367</u>	<u>16,604,605</u>	<u>(663,869)</u>	<u>33,343</u>	<u>-</u>	<u>34,272,446</u>
Total Restricted funds	<u>16,788,697</u>	<u>24,999,477</u>	<u>(11,084,535)</u>	<u>-</u>	<u>(2,143,000)</u>	<u>28,560,639</u>
Total funds	<u>17,361,314</u>	<u>26,274,393</u>	<u>(12,166,193)</u>	<u>-</u>	<u>(2,143,000)</u>	<u>29,326,514</u>

PEAK MULTI ACADEMY TRUST
(A company limited by guarantee)

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

19. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	33,514,014	33,514,014
Current assets	771,834	1,699,303	206,077	2,677,214
Creditors due within one year	-	(1,123,492)	-	(1,123,492)
Provisions for liabilities and charges	-	(5,554,000)	-	(5,554,000)
Total	771,834	(4,978,189)	33,720,091	29,513,736

Analysis of net assets between funds - prior period

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	34,119,286	34,119,286
Current assets	897,967	1,169,335	153,160	2,220,462
Creditors due within one year	(132,092)	(997,142)	-	(1,129,234)
Provisions for liabilities and charges	-	(5,884,000)	-	(5,884,000)
Total	765,875	(5,711,807)	34,272,446	29,326,514

PEAK MULTI ACADEMY TRUST
(A company limited by guarantee)

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

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

	2020 £	2019 £
Net (expenditure)/income for the period (as per Statement of financial activities)	(974,778)	14,108,200
<hr/>		
Adjustments for:		
Depreciation	849,562	663,869
Capital grants from DfE and other capital income	(266,290)	(254,605)
Interest receivable	(4,833)	(6,796)
Defined benefit pension scheme obligation inherited	-	1,747,000
Defined benefit pension scheme cost less contributions payable	832,000	373,000
Decrease/(increase) in stocks	1,265	(1,039)
Increase in debtors	(4,688)	(195,078)
(Decrease)/increase in creditors	(5,742)	201,942
Net assets transferred on conversion	-	(16,350,000)
Cash transferred on conversion	-	(235,758)
Net cash provided by operating activities	426,496	50,735
<hr/>		

21. Cash flows from investing activities

	2020 £	2019 £
Interest receivable	4,833	6,796
Purchase of intangible assets	(244,290)	(134,787)
Capital grants from DfE Group	91,600	165,475
Capital funding received from sponsors and others	174,690	89,130
Cash transferred on conversion to an academy trust	-	235,758
Net cash provided by investing activities	26,833	362,372
<hr/>		

22. Analysis of cash and cash equivalents

	2020 £	2019 £
Cash in hand	2,066,741	1,613,412
Total cash and cash equivalents	2,066,741	1,613,412
<hr/>		

PEAK MULTI ACADEMY TRUST
(A company limited by guarantee)

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

23. Analysis of changes in net debt

	At 1 September 2019	Cash flows	At 31 August 2020
	£	£	£
Cash at bank and in hand	1,613,412	453,329	2,066,741

24. Capital commitments

	2020	2019
	£	£
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	77,220	-

25. Pension commitments

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

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

Contributions amounting to £52,583 were payable to the schemes at 31 August 2020 (2019 - £71,546) and are included within 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 full-time teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

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

PEAK MULTI ACADEMY TRUST
(A company limited by guarantee)

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

25. Pension commitments (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 2023.

The employer's pension costs paid to TPS in the year amounted to £1,427,830 (2019 - £805,662).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £760,000 (2019 - £395,000), of which employer's contributions totalled £516,000 (2019 - £31,000) and employees' contributions totalled £ 144,000 (2019 - £85,000). The agreed contribution rates for future years are 20.3 per cent for employers and 5.5 - 12.5 per cent for employees.

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

Principal actuarial assumptions

	2020	2019
	%	%
Rate of increase in salaries	2.9	2.8
Rate of increase for pensions in payment/inflation	2.2	2.3
Discount rate for scheme liabilities	1.7	1.9

PEAK MULTI ACADEMY TRUST
(A company limited by guarantee)

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

25. Pension commitments (continued)

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

	2020 Years	2019 Years
Retiring today		
Males	21.6	21.9
Females	23.7	24.4
Retiring in 20 years		
Males	22.6	23.9
Females	25.1	26.5

Sensitivity analysis

	2020 £000	2019 £000
Discount rate +0.5%	1,410	1,560
CPI rate +0.5%	1,210	1,255
Salary increase rate +0.5%	173	270

Share of scheme assets

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

	2020 £	2019 £
Equities	3,758,000	3,357,400
Corporate bonds	1,394,000	1,321,000
Property	485,000	440,300
Cash and other liquid assets	424,000	385,300
Total market value of assets	6,061,000	5,504,000

The actual return on scheme assets was £-176,000 (2019 - £182,000).

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

	2020 £	2019 £
Current service cost	(1,230,000)	(544,000)
Past service cost	-	(74,000)
Interest income	111,000	102,000
Interest cost	(229,000)	(167,000)
Total amount recognised in the Statement of Financial Activities	(1,348,000)	(683,000)

PEAK MULTI ACADEMY TRUST
(A company limited by guarantee)

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

25. Pension commitments (continued)

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

	2020 £	2019 £
At 1 September	11,388,000	4,431,000
Conversion of academy trusts	-	3,790,000
Current service cost	1,230,000	544,000
Interest cost	229,000	167,000
Employee contributions	144,000	85,000
Actuarial (gains)/losses	(1,338,000)	2,325,000
Benefits paid	(38,000)	(28,000)
Past service costs	-	74,000
At 31 August	<u>11,615,000</u>	<u>11,388,000</u>

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

	2020 £	2019 £
At 1 September	5,504,000	2,810,000
Conversion of academy trusts	-	2,043,000
Interest income	111,000	102,000
Actuarial (losses)/gains	(176,000)	182,000
Employer contributions	516,000	310,000
Employee contributions	144,000	85,000
Benefits paid	(38,000)	(28,000)
At 31 August	<u>6,061,000</u>	<u>5,504,000</u>

26. Operating lease commitments

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

	2020 £	2019 £
Not later than 1 year	25,018	7,762
Later than 1 year and not later than 5 years	3,091	6,044
	<u>28,109</u>	<u>13,806</u>

**PEAK MULTI ACADEMY TRUST
(A company limited by guarantee)**

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

27. Members' liability

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

28. Related party transactions

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 12.

29. Post balance sheet events

On 10 December 2020 the Headteachers' Board met and it was agreed that Chellaston Academy would transfer out of the Multi Academy Trust to QEGSMAT with an intended transfer date during the Summer 2021 term.

On 21 January 2021 the Headteachers' Board met and it was agreed that Chellaston Junior School, Chellaston Infant School and Homefields Primary School would transfer out of the Multi Academy Trust to East Midlands Education Trust with an intended transfer date during the Summer 2021 term.

Upon transfer to the receiving trusts, all of the assets and liabilities (including the relevant LGPS deficit) will be transferred from Peak Multi Academy Trust to QEGSMAT and East Midlands Education Trust as appropriate.

Please refer to the accounting policy on Going Concern for further information.