

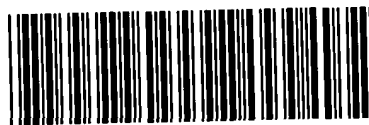
Peak Multi Academy Trust

(Formerly known as Chellaston Academy)

Trustees' Report and Financial Statements

For the year ended 31 August 2018

SATURDAY



A7LBXR8J
A16 22/12/2018 #349
COMPANIES HOUSE

7DAINS
ACCOUNTANTS

Peak Multi Academy Trust
(A company limited by guarantee)

Contents

	Page
Reference and administrative details	1 - 2
Trustees' report	3 - 12
Governance statement	13 - 16
Statement on regularity, propriety and compliance	17
Statement of Trustees' responsibilities	18
Independent auditors' report on the financial statements	19 - 21
Independent reporting accountant's assurance report on regularity	22 - 23
Statement of financial activities incorporating income and expenditure account	24
Balance sheet	25
Statement of cash flows	26
Notes to the financial statements	27 - 48

Peak Multi Academy Trust
(A company limited by guarantee)

Reference and Administrative Details
For the year ended 31 August 2018

Members and Trustees	K Gaiderman N Hollis A Roe
Governors	S Archer (resigned 16 December 2018) T Barker, Staff Governor G Blair T Eland (appointed 1 March 2018) S Ellis, Staff Governor (resigned 31 August 2018) ¹ N Hollis, Chair of Governors ¹ K Gaiderman ¹ A Goozee (appointed 1 March 2018) J James (appointed 1 March 2018) C Kendrick (appointed 1 March 2018, resigned 11 May 2018) F Kupferberg, Staff Governor (resigned 31 August 2018) M Lewis ¹ M Orlovsky (resigned 19 March 2018) G Osborne (appointed 24 September 2018) H Scullion, Staff Governor (appointed 24 September 2018) C Sutton, Staff Governor (appointed 24 September 2018) G Upton (appointed 24 September 2018)
	¹ members of the Finance and General Purposes Committee
Company registered number	07430289
Company name	Peak Multi Academy Trust
Principal and registered office	Chellaston Academy Swarkestone Road Chellaston Derby Derbyshire DE73 5UB
Executive Principal	K J Gaiderman
Senior management team	K Gaiderman, Executive Principal S Ellis, Deputy Headteacher J Rumsey, Deputy Headteacher P Clarke, Assistant Headteacher S Nelson, Assistant Headteacher A Holdgate, Assistant Headteacher E Moore, Assistant Headteacher T Stavri, Assistant Headteacher L Horvath, Assistant Headteacher C Sutton, Assistant Headteacher C Walker, Assistant Headteacher D Jordison, Assistant Headteacher J Wainwright-Jones, Business Manager

Peak Multi Academy Trust
(A company limited by guarantee)

Reference and Administrative Details of the Academy Trust, its Trustees and Advisers
For the year ended 31 August 2018

Advisers (continued)

Independent auditors Dains LLP
Charlotte House
Stanier Way
The Wyvern Business Park
Derby
DE21 6BF

Bankers HSBC Plc
St Peters Street
Derby
Derbyshire
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 2018

The Trustees present their annual report together with the financial statements and auditor's report of the charitable Company for the year 1 September 2017 to 31 August 2018. The Annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

Peak Multi Academy Trust (formerly Chellaston Academy) operates one secondary academy for pupils aged 11 to 18 serving a catchment area in south Derby. It has a pupil capacity of 1650 and had a roll of 1732 in the Autumn 2018 census.

Structure, governance and management

a. Constitution

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

The charitable Company's Memorandum and Articles of Association is the primary governing document of the Academy Trust.

The Trustees of Peak Multi Academy Trust are also the Directors of the charitable Company for the purpose of 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 in preparation of conversion from a Single Academy Trust to a Multi Academy Trust..

Details of the Trustees who served during the year are included in the Reference and Administrative Details on page 1.

There shall be at least 3 members of the Academy Trust and they shall comprise:

1. until they cease to be Members, the signatories to the Memorandum;
2. the Executive Principal;
3. the chairman of the Governors;
4. the vice chairman of the Governors;
5. any Governor who wishes to become a Member, by right from the time of their appointment as a Governor;
6. 1 person appointed by the Secretary of State, in the event that the Secretary of State appoints a person for this purpose;
7. any person appointed unanimously in writing by the existing Members

Details of the Governors who served on the Chellaston Academy Governing Body throughout the period except as noted are included in the Reference and Administrative Details.

Chellaston Academy came into being on 1 December 2010 having converted to Academy status from Chellaston Foundation School on 1 December 2010. A Funding Agreement was signed with the Secretary of State on 24 November 2010 and the charitable Company was registered at Companies House on 4 November 2010. Chellaston Academy changed its name to Peak Multi Academy Trust on 9 November 2018.

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 Governor or other officer or auditor of the Academy 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 judgement 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.

d. Method of recruitment and appointment or election of Trustees

The Academy Trust shall have the following Governors:

1. up to 7 Community Governors, appointed by the Members of the Academy Trust;
2. up to 2 Staff Governors, 1 of whom shall be teaching staff and 1 of whom shall be non teaching staff, employed by the Academy at the time of election and elected by the teaching and non teaching staff at the Academy;
3. 1 Appointed Teaching Staff Governor, appointed by the Members of the Academy Trust;
4. 2 Parent Governors, elected by secret ballot by parents of registered pupils at the Academy. A Parent Governor must be a parent of a pupil at the Academy at the time when they are elected. The Governing Body shall take such steps as are reasonably practical to secure that every person who is known to them to be a parent of a registered pupil at the Academy is informed of the vacancy and that it is required to be filled by election, informed that he is entitled to stand as a candidate, and vote at the election, and given an opportunity to do so;
5. up to 4 Appointed Parent Governors, appointed by the Members of the Academy Trust;
6. the Executive Principal; ex officio
7. any Additional Governors, if appointed by the Secretary of State following a warning notice to the Governors;
8. any Further Governors if appointed by the Secretary of State if a Special Measures Termination Event occurs;
9. up to 2 Co opted Governor appointed by non Co opted Governors.

The term of office for any Governor is a maximum of 4 years; other than the Executive Principal who is ex officio. Any Governor may be re appointed or re elected subject to continuing eligibility. Governors of the Academy were reclassified from the Foundation School Governing Body.

The Academy Trust is committed to participation and wide representation of stakeholders in the composition and constitution of the Governing Body. The 6 Parent Governors and 7 Community Governors represent the localities and interests of the communities from which the Academy draws students. Efforts are made to ensure that there is a broad gender, ethnic and socio economic mix of Governors.

When ballots are held for Governors, there are opportunities for nominated persons to visit the Academy and interview the Executive Principal and Chair of Governors. Full information about the roles and responsibilities of the Governors are posted, prior to recruitment and election, on the Academy website. Hard copies of information are always available.

Opportunities for the appointment of Community Governors are advertised through the newsletter, website and other governor forums.

Appeals against maladministration can be made.

e. Policies and procedures adopted for the induction and training of Trustees

All Governors receive the Governors' Handbook which is updated annually. New Governors meet with the Executive Principal and the Chair of Governors and all Governors have access to the Academy Improvement Plan (AIP), past minutes and committee information; additionally, we have budgeted specifically for access to the Local Authority's governor training package. Governors have opportunities to see the Academy in our 'open door' policy and through their Governor link roles.

f. Organisational structure

The Governing Body held 4 meetings during the year and has delegated authority to a number of sub committees as follows:

1. Finance and General Purposes
2. Standards, Leadership and Management Committee

For the year ending 31 August 2018 the Finance and General Purposes Committee held 7 meetings and the Standards Leadership and Management Committee held 4 meetings in the academic year.

During the year beginning 1 September 2018 the organisational structure will be reconstituted on conversion to Multi Academy Trust status with a Trust Board delegating responsibility to the following subcommittees:

1. Finance and Audit Committee
2. Development, HR, Remuneration and Pay Committee
3. Education, Performance and Standards Committee

The Local Governing Body will continue to hold 4 meetings in the year.

Each Sub Committee has documented and agreed Terms of Reference which detail the level of devolved authority from the Governing Body to the Sub Committee. These are updated and reviewed annually. The Chair of the Sub Committee reports back to the Governing Body at the Governors' meeting following each Sub Committee meeting.

Individual Governors are linked to AIP objectives and also SEN, Safeguarding, Governor Training and Careers for the current accounting period.

The Governors are responsible for setting general policy, adopting an annual improvement plan and budget, monitoring the Academy performance and making major decisions about the direction of the Academy, its staffing and capital expenditure.

The day to day management of the Academy is delegated to the Executive Principal who directs the Leadership Team which consisted of 2 Deputy Headteachers, 9 Assistant Headteachers and a new Business Manager in the year to 31 August 2018. The Executive Principal is the Accounting Officer for the Academy. For the year beginning 1 September 2018 the Leadership Team has changed to 3 Vice Principals, 8 Assistant Vice Principals and a Business Manager.

The Clerk to the Governors is managed by the Chair of Governors. The Clerk has access to regular training.

Budgets are devolved to budget holders at both Leadership Team and Curriculum level as appropriate. The Governors have developed and approved Financial Limits of Authority; these are reviewed on an annual basis.

The management and governance responsibilities are interlinked and mutually supportive. The Governors define the aims, objectives, principles and strategies of the Academy; the Management team ensures that all operational decisions are in accord with those principles. Executive decisions made by the Executive Principal have to be approved by the Governors in relation to Exclusions; Admissions; Staffing Complement; Staff Discipline and Grievance and Staffing Structure.

Governors approve targets for the Academy and for the Executive Principal. These targets are reviewed by the appropriate committee.

The Executive Principal has a Leadership Team which manages the performance and effectiveness of the Middle Leaders in the Academy, who in turn manage the effectiveness and performance of the teaching staff.

Decisions are made in a coherent and transparent process through staff consultation and discussion. Executive decisions will be made by the Executive Principal or a Vice Principal.

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

The pay ranges for the Leadership Team teachers are determined in accordance with the criteria specified in the School Teachers Pay and Conditions Document and in accordance with the Academy Pay Policy; Leadership Support staff are paid at a level commensurate with their role and responsibility. Consideration is given to the significant responsibility given to the Leadership Team that is not required of all classroom teachers or TLR holders; in particular their focus on teaching and learning, use of professional skills and judgement, leading and management of the Academy, leading and developing teaching practice of staff to result in a positive impact on the educational progress of pupils.

Governors review the performance of the Executive Principal and set and approve the Executive Principal's pay range, pay and remuneration. The Executive Principal sets the pay range and approves the pay and remuneration of the senior leadership team. With the exception of the Executive Principal the Academy Trustees do not receive pay or remuneration.

h. Trade union facility time

Chellaston Academy has no Relevant Union Officials with no allocated time or related costs.

i. Related parties and other connected charities and organisations

Chellaston Academy 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, the Academy is involved in all collaborations within the Derby Secondary Strategic Group chaired by our Executive Principal, which involves all of the Secondary Schools in the City. This is a formal organisation which works together in order to promote the best possible educational outcomes for City students. We also play our part in sharing arrangements for difficult students and for students who are new arrivals to the City.

Chellaston Academy is involved with organisation and provision of school improvement services via a team of SLE's to local secondary schools under the DfE Strategic School Improvement Fund programme.

The Academy continues to be a member of the Derby Teaching School Alliance and the Executive Principal continues to be an executive member.

On an individual basis, staff work in partnership with a range of other schools in programmes and strategies which promote Teaching and Learning in the City.

Chellaston Academy is a Teaching school and has developed links with other education providers for the training of new teachers.

Members of the Leadership Team are fully involved in collaborations across the City and beyond in terms of 14 19 partnerships; subject networks; assessment groups; virtual groups and many other forms of networking and linking.

The Academy Executive Principal is also a member of the Opportunity Area Strategic Board allocating bids within the £6 million Opportunity Area fund.

A register of Business Interests is maintained for the governing body and available on the academy website.

Objectives and Activities

a. Objects and aims

The Academy Trust's objects are as follows:

1. advancing 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;
2. promoting for the benefit of the inhabitants of Chellaston 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 or disablement, financial hardship or social and economic circumstances, or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

The Academy has 5 Aims on which the development plan and associated spending decisions are based. These are:

1. To continue to raise standards of achievement within the Academy, reducing the in-Academy gaps and variation in subject, ensuring that pupils make substantial and sustained progress.
2. To sustain and enhance the Academy's culture and ethos for learning, which results in typically good or better teaching, much of which is outstanding.
3. To ensure that pupils become well-rounded citizens, value their education and have excellent attitudes to learning, which has a positive impact on their progress.
4. To ensure that leadership at all levels is highly effective and upholds the whole school values of learning, excellence and integrity.
5. To promote stakeholder partnerships through work with primary feeder schools; our Teaching School; and the Derby City Opportunity Area.

The Academy Trust aims to form a Multi Academy Trust, initially with three local primary schools, to then develop a network of successful academies in line with objects which will be updated on formation of the MAT.

b. Objectives, strategies and activities

Having converted to Academy Status on 1 December 2010 the principal objective and activity of the charitable Company has been the operation of Chellaston Academy to provide education to children of different abilities between the ages of 11 and 19.

During this current reporting period, the main aims of the Academy continue to be the maximising of attainment for all students, regardless of background or ability.

The Academy will not change its fundamental aim of providing the best possible opportunities for students to maximise their achievement, regardless of ability or background. Last year, Pupil Premium students continued to be targeted as a priority; the academy still continues to have a tiny gap between the disadvantaged pupils within the school and all other students nationally. After Performance Management reviews, job descriptions have been altered in order to accommodate the new priorities and there is now a structure to provide the best possible momentum to generate accelerated progress in the Academy.

c. Public benefit

The Academy Trust Governors have complied with their duty to have due regard to the Charity Commission guidance on public benefit in exercising their powers and duties, as noted above in the review of activities during the period in regard to the objects of the charitable Company.

The Academy continues to be a vibrant contributor to local life in the community and its buildings and staff are used to promote a sense of well being in the local area. The Academy is used for community meetings, sporting events and festivals. The Community Forum meets in the Academy on a regular basis and the local Councillors make themselves available, as do the local police. Academy facilities are used for Drama and Sport. On many evenings during the week, we have a range of activities in the Academy and we continue to provide adult education for a range of leisure and qualification classes.

Achievements and performance

Strategic report

a. Key performance indicators

Monitoring and Governance continues to be regular and thorough. The Academy is held to account by the Finance and General Purposes Committee who report back to the full Governing Body.

The Academy has completed the purchase of a temporary two classroom block to provide additional teaching space and the refurbishment of the conference centre and office facilities to enable the development of provision of facilities and services for the Multi Academy Trust.

Income to the Academy has to be carefully managed as the decreases in funding continue to have a ripple effect. We have reacted to the reductions in Post 16 funding by reducing the amount of contact time in the Sixth Form. We have responded to the reduced budgets by increasing class sizes and increasing contact ratios. Staffing expenditure has been reduced significantly across many areas of the Academy but we have probably taken the greatest steps possible in order to address a challenging situation so that we should not need to make any further reductions over the next two years if numbers continue to remain stable.

Improvements in examination results have been evident with Progress 8 improving in recent years; this has been maintained in 2018. Attainment of A* to C in English and maths has improved from 58% in 2015 to 78% in 2016 and the levels of progress in English and maths are significantly above the national average. The assessment system changed for English and maths in 2017 with grades 9-1. In 2018 the standard pass in English and maths was 80%. A level standards have been maintained. ALPS Level 4 has been maintained with a true progress measure in the DfE dashboard for 6th Form.

The Academy's accounts are carefully scrutinised and all financial procedures are followed by teaching staff and Governors. Financial controls are firmly in place. A successful Internal Audit Risk Review visit was undertaken during the year with the Summary Report presented to the Governors.

b. Going concern

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

Financial review

a. Reserves policy

The Governors review the reserve levels of the Academy on a regular basis as part of their regular monitoring of the Academy finances.

During the year the Academy Trust had an in-year deficit of £216,746 relating to restricted general funds (excluding pension reserve) plus unrestricted funds.

The Academy Trust held fund balances at 31 August 2018 of £17,361,314 consisting of £16,788,697 restricted funds and £572,617 unrestricted funds. Included in the restricted fund is an amount of £18,298,367 invested in fixed assets and a pension reserve deficit of £1,621,000. The balance on the restricted general funds (excluding pension reserve) plus unrestricted funds is £683,947.

The Academy Trust has built up a level of reserves in order to ensure that provision is available for unforeseen urgent expenditure and that future plans and commitments can be developed providing a stronger basis for capital bids for funding streams to improve and expand the available accommodation. The reserve has also enabled a program of capital investment in the refurbishment of both teaching and office spaces to be undertaken in addition to the provision of improved conference facilities, improved ICT provision for compliance with GDPR regulations and the replacement of the main boiler. The reserve will be invested in the future development of the Multi Academy Trust infrastructure.

b. 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 to HSBC Money Market on short-term risk-free deposits, to obtain a higher interest rate.

c. Principal risks and uncertainties

Given that cash funding is received directly from the DfE under the terms of the Funding Agreement the risk and uncertainty of reduced funding is controlled by the DfE; however, as funding levels are primarily based on pupil numbers and applications to Year 7 and Post 16 remain high and there is an agreed increase to the PAN, funding is considered to be secure. The principal risk is considered to be that funding does not reflect the level of numerous increased costs.

d. Financial risk management objectives and policies

Most of the Academy's income is obtained from the DfE in the form of recurrent grants, the use of which is restricted to particular purposes in pursuance of the Academy's objects. The grants received from the DfE during the year ended 31 August 2018 and the associated expenditure are shown as restricted general funds in the Statement of Financial Activities.

The Academy also receives grants for fixed assets from the DfE. In accordance with the Charities Statement of Recommended Practice (SORP 2015) such grants are shown in the Statement of Financial Activities as restricted income in the restricted fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

At 31 August 2018 the net book value of fixed assets was £672,123 (excluding Freehold Property) and movements in tangible fixed assets are shown in note 12 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy and in line with the objects of the Academy.

The Governors have been advised by the actuary for the Local Government Pension Scheme that the pension liability has decreased to £1,621,000 for the current shortfall in payments required to fund non academic staff's final salary pension schemes (In accordance with FRS 102).

e. Risk management

The Governors have assessed the major risks to which the Academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy, and its finances. The Governors have implemented a number of systems to assess risks that the Academy faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff, supervision of school grounds) and an effective system of internal financial control in order to minimise risk.

Risks to the Academy fall into the following three categories:

1. **Financial** Income to the Academy is always predicted prudently and expenditure plans are controlled by a strong Committee structure. The Executive Principal is accountable to the Committee for restricting expenditure within budget limits.
2. **Performance** A decline in results would lead to a less favourable reputation which would, in turn, lead to fewer numbers of students with the subsequent loss of income. The Executive Principal is accountable to the Governing Body for academic results.
3. **Health and Safety** A range of risk assessments, including actions to be taken in the event of extreme incidents, have been written. These are reviewed annually.

Peak Multi Academy Trust
(A company limited by guarantee)

Trustees' Report (continued)
For the year ended 31 August 2018

Fundraising

The Academy accepts donations as both specific schemes and general resources for use within the Academy. Income from donations is recognised in note 2 to the Financial Statements. There is no agreement in place with a professional fundraising body.

Plans for future periods

An in-year deficit revenue budget has been set for the year beginning 1 September 2018 due to reductions in funding and existing increases to the staffing of middle and senior leadership to "future proof" the academy as it develops from a SAT to a MAT. This revenue deficit is fully funded by the academy's established reserves.

The Academy has recently invested in the infrastructure of the catering facility in order to bring catering provision in house from 1 September 2018 with the view to improving the quality of both the food and dining experience and to ensure best value for money is obtained.

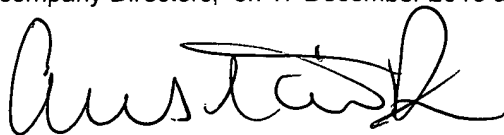
We have committed to form a Multi Academy Trust with 3 local primary schools for which the final legal issues are being addressed with a planned conversion date early in 2019. A short to medium term development plan for the expansion of the Peak Multi Academy Trust is in progress with ongoing discussions.

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 the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable Company's auditors are aware of that information.

The Trustees' report, incorporating a strategic report, was approved by order of the Governing Body, as the company Directors, on 17 December 2018 and signed on its behalf by:



A Roe
Chair of Trustees

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 Governing Body has delegated the day-to-day responsibility to the Executive Headteacher, 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 Governing Body 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 Governing Body has formally met 4 times during the year. Attendance during the year at meetings of the Governing Body was as follows:

Governor	Meetings attended	Out of a possible
S Archer	2	4
T Barker, Staff Governor	4	4
G Blair	2	4
T Eland	2	2
S Ellis, Staff Governor	4	4
N Hollis, Chair of Governors	4	4
K Gaiderman	4	4
A Goozee	1	2
J James	1	2
C Kendrick	1	1
F Kupferberg, Staff Governor	1	4
M Lewis	2	4
M Orlovsky	0	3

The Trustees have established a means of monitoring the performance of the Academy so that the aims of the Academy are fully met. The Trustees have produced a document outlining their responsibilities in relation to the success of the Academy.

The Chair and Clerk to the Governors undertake an annual review of Governors' skills and knowledge so that they can be most effectively used in Committee work. A skills audit is used as the basis for this exercise and Governors are then asked to contribute towards a Committee Structure which is based on the Ofsted Framework. Each year, the Terms of Reference for the Governing Body and the various Committees are reviewed and amended in order to comply with the latest changes in educational policy. This will continue in 2018 to 2019 for the governance of the MAT.

The meeting structure will remain fundamentally the same until the MAT is formed as this effectively promotes Governance of the Academy as Committees feed into the full Governing Body for decision making or ratification purposes. As an overall structure, the full Governing Body will meet four times in the year with at least one meeting per term, the Finance and General Purposes Committee meet in the penultimate week of each half term and other Committee meetings revolve around these dates, prior to the implementation of the new governance structure of the MAT.

Governance Statement (continued)

The Finance and General Purposes Committee is a sub committee of the main Governing Body. Its purpose is to assist the decision making of the Governing Body, by enabling more detailed consideration to be given to the best means of fulfilling the Governing Body's responsibility to ensure sound management of the Academy's finances and resources, including proper planning, monitoring to make appropriate comments and recommendations on such matters to the Governing Body.

Attendance at meetings in the year was as follows:

Governor	Meetings attended	Out of a possible
S Ellis, Staff Governor	7	7
N Hollis, Chair of Governors	7	7
K Gaiderman, Executive Headteacher and Accounting Officer	6	7
M Lewis, Chairperson	5	7

Review of Value for Money

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

The Accounting Officer considers how the Academy Trust's use of its resources has provided good value for money during each academic year, and reports to the Governing Body where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the Academy Trust has delivered improved value for money during the year by:

- Ensuring that competitive tenders have been obtained for procurement in line with the governors annually reviewed Best Value Statement.
- Ensuring that a rigorous system of internal controls exists to ensure prudence and accountability for financial resources.
- Undertaking a major restructuring of the curriculum in order to better utilise teachers directed time and reduce staffing costs.
- Undertaking a review of the cover process to fully utilise teachers' under allocation to reduce external cover costs.
- Continuing the development of the Academy as a Teaching School.
- Utilising the Strategic School Improvement Fund programme to develop the SLE's within the Academy
- Improving the Performance Management and Continuing Professional Learning process in order to improve teaching and promote improvement in academic results.

During the coming year Academy is seeking to address the following areas:

- To maintain a strong focus on the progress of pupils eligible for Pupil Premium funding in an Academy wide setting.
- To address the gap between boys and girls' attainment.
- to continue to improve the Continuing Professional Learning process for middle leaders.
- To implement and develop Integrated Curriculum and Financial planning to better utilise teachers directed time and reduce staffing costs.
- To ensure that the in-house catering is developed to the position of being fully self-funding and thus to reduce the in-year deficit budget.

Governance Statement (continued)

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Peak Multi Academy Trust for the year 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Governing Body has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing Body is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks, that has been in place for the year 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Governing Body;
- regular reviews by the finance and general purposes committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

The Governing Body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed Dains LLP, the external auditors, to perform additional checks.

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

- Payroll systems
- Purchase systems
- Expense claims
- Income
- Bank and petty cash reconciliations
- Fixed assets

On an annual basis, the external auditors report to the Governing Body through the finance and general purposes committee on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

Governance Statement (continued)

There were no control issues arising as a result of the auditors review work.

The structure of the Governors' Committees enables a cycle of planning and action to be validated and reported on to full Governors on a regular basis. The full Governing Body is given minutes of decisions and actions taken by the Finance and General Purposes Committee. The Chair of the Finance and General Purposes Committee is answerable to the full Governors.

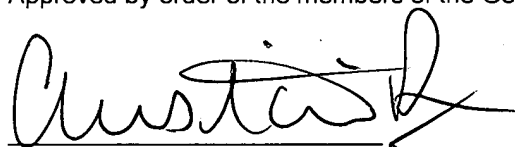
Review of Effectiveness

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

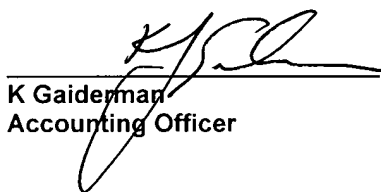
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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 general purposes committee and a plan to ensure continuous improvement of the system is in place.

Approved by order of the members of the Governing Body on 17 December 2018 and signed on their behalf, by:



A Roe
Chair of Trustees



K Gaiderman
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 Academy Trust Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2017.

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2017.

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.



K Gaiderman
Accounting Officer

Date: 17 December 2018

Statement of Trustees' Responsibilities
For the year ended 31 August 2018

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 Annual Accounts Direction issued by the Education & 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:

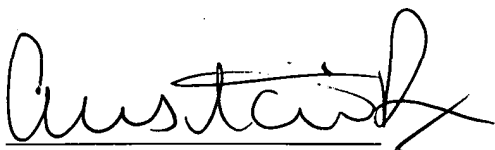
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable Company will continue in business.

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

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

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

Approved by order of the members of the Governing Body on 17 December 2018 and signed on its behalf by:



A Roe
Chair of Trustees

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 'Academy Trust') for the year ended 31 August 2018 which comprise the Statement of financial activities incorporating income and expenditure account, 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 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2018 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 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education & Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

Independent Auditors' Report on the Financial Statements to the Members of Peak Multi Academy Trust

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. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Independent Auditors' Report on the Financial Statements to the Members of Peak Multi Academy Trust

Responsibilities of Trustees

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

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

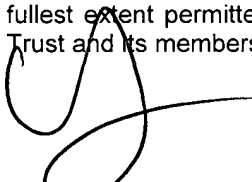
Auditors' responsibilities for the audit of the financial statements

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

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



Lisa Richards FCCA (Senior statutory auditor)

for and on behalf of

Dains LLP

Statutory Auditor
Chartered Accountants

Charlotte House, Derby
17 December 2018

Peak Multi Academy Trust
(A company limited by guarantee)

Independent Reporting Accountants' Assurance Report on Regularity to Peak Multi Academy Trust and the Education & Skills Funding Agency

In accordance with the terms of our engagement letter dated 27 June 2018 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, 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 2017 to 31 August 2018 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 the 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 the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Peak Multi Academy Trust and the 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 2017, 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 2017 to 2018. 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 2017 to 31 August 2018 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 2017 to 2018 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

Peak Multi Academy Trust
(A company limited by guarantee)

Independent Reporting Accountants' Assurance Report on Regularity to Peak Multi Academy Trust and the Education & Skills Funding Agency (continued)

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2017 to 31 August 2018 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Dains LLP

Statutory Auditor
Chartered Accountants

Charlotte House, Derby

17 December 2018

Peak Multi Academy Trust
(A company limited by guarantee)

Statement of Financial Activities incorporating Income and Expenditure Account
For the year ended 31 August 2018

	Note	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
Income from:						
Donations and capital grants	2	7,739	-	34,035	41,774	1,200,064
Charitable activities:	3					
Funding for the Academy						
Trust's educational operations		285,775	7,768,693	-	8,054,468	7,859,228
Other trading activities	4	487,771	3,838	-	491,609	440,050
Investments	5	4,041	-	-	4,041	2,324
Total		785,326	7,772,531	34,035	8,591,892	9,501,666
Expenditure on:						
Raising funds		461,620	-	-	461,620	415,710
Charitable activities:						
Academy Trust educational operations		285,142	8,066,493	581,271	8,932,906	8,867,975
Total expenditure	6	746,762	8,066,493	581,271	9,394,526	9,283,685
Net income / (expenditure) before transfers		38,564	(293,962)	(547,236)	(802,634)	217,981
Transfers between Funds	17	-	(193,348)	193,348	-	-
Net income / (expenditure) before other recognised gains and losses		38,564	(487,310)	(353,888)	(802,634)	217,981
Other recognised gains / (losses):						
Actuarial gains / (losses) on defined benefit pension schemes	22	-	541,000	-	541,000	1,009,000
Net movement in funds		38,564	53,690	(353,888)	(261,634)	1,226,981
Reconciliation of funds:						
Total funds brought forward		534,053	(1,563,360)	18,652,255	17,622,948	16,395,967
Total funds carried forward		572,617	(1,509,670)	18,298,367	17,361,314	17,622,948

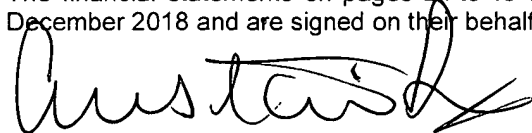
The notes on pages 27 to 48 form part of these financial statements.

Peak Multi Academy Trust
(A company limited by guarantee)
Registered number: 07430289

Balance Sheet
As at 31 August 2018

	Note	£	2018 £	£	2017 £
Fixed assets					
Tangible assets	12		18,298,367		18,652,255
Current assets					
Stocks	13	4,797		1,628	
Debtors	14	406,136		422,475	
Cash at bank and in hand		1,200,305		1,087,672	
		<u>1,611,238</u>		<u>1,511,775</u>	
Creditors: amounts falling due within one year	15	<u>(927,291)</u>		<u>(611,082)</u>	
Net current assets			<u>683,947</u>		<u>900,693</u>
Total assets less current liabilities			<u>18,982,314</u>		<u>19,552,948</u>
Defined benefit pension scheme liability	22		<u>(1,621,000)</u>		<u>(1,930,000)</u>
Net assets including pension scheme liabilities			<u><u>17,361,314</u></u>		<u><u>17,622,948</u></u>
Funds of the academy					
Restricted income funds:					
Restricted income funds	17	111,330		366,640	
Restricted fixed asset funds	17	18,298,367		18,652,255	
Restricted income funds excluding pension liability		<u>18,409,697</u>		<u>19,018,895</u>	
Pension reserve		<u>(1,621,000)</u>		<u>(1,930,000)</u>	
Total restricted income funds			<u>16,788,697</u>		<u>17,088,895</u>
Unrestricted income funds	17		<u>572,617</u>		<u>534,053</u>
Total funds			<u><u>17,361,314</u></u>		<u><u>17,622,948</u></u>

The financial statements on pages 24 to 48 were approved by the Trustees, and authorised for issue, on 17 December 2018 and are signed on their behalf, by:



A Roe
Chair of Trustees

The notes on pages 27 to 48 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 2018

	Note	2018 £	2017 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	19	205,205	(419,008)
Cash flows from investing activities:			
Dividends, interest and rents from investments		4,041	2,324
Purchase of tangible fixed assets		(227,383)	(1,469,434)
Capital grants from DfE/ESFA		34,035	1,206,611
Capital funding received from sponsors and others		96,735	-
Net cash used in investing activities		(92,572)	(260,499)
Change in cash and cash equivalents in the year		112,633	(679,507)
Cash and cash equivalents brought forward		1,087,672	1,767,179
Cash and cash equivalents carried forward	20	1,200,305	1,087,672

The notes on pages 27 to 48 form part of these financial statements.

1. Accounting Policies

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

1.1 Basis of preparation of financial statements

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2017 to 2018 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Peak Multi Academy Trust constitutes a public benefit entity as defined by FRS 102.

1.2 Going concern

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

1.3 Income

All income is recognised once the Academy Trust has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of financial activities incorporating income and expenditure account 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 entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

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

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

Donations are recognised on a receivable basis where receipt is probable and the amount can be reliably measured.

Other income, including the hire of facilities, is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

1. Accounting Policies (continued)

1.4 Expenditure

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

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

Expenditure on charitable activities are costs incurred on the Academy Trust's educational operations, including support costs and those costs relating to the governance of the Academy Trust appointed to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

1.5 Tangible fixed assets and depreciation

All assets costing more than £2,000 capitalised 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, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Freehold property	-	2%
Building refurbishments	-	10%
Fixtures, fittings and equipment	-	20%
Motor vehicles	-	25%
Computer equipment	-	33.3%

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

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

1. Accounting Policies (continued)

1.6 Liabilities

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

1.7 Provisions

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

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

1.8 Operating leases

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

1.9 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. 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 costs as detailed in note 15. 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 instruments.

1.10 Stocks

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

1.11 Taxation

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1. Accounting Policies (continued)

1.12 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 22, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore 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 scheme and the assets are held separately from those of the Academy Trust in separate Trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

1.13 Fund accounting

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

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

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

1. Accounting Policies (continued)

1.14 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, 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 2016 has been used by the actuary in valuing the pensions liability at 31 August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement:

The Trustees have reviewed the asset lives and associated residual values of all fixed asset classes and have concluded that asset lives and residual values are appropriate.

2. Income from donations and capital grants

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Donations	7,739	-	7,739	14,953
Capital Grants	-	34,035	34,035	1,185,111
	<u>7,739</u>	<u>34,035</u>	<u>41,774</u>	<u>1,200,064</u>
<i>Total 2017</i>	<u>14,953</u>	<u>1,185,111</u>	<u>1,200,064</u>	

Peak Multi Academy Trust
(A company limited by guarantee)

Notes to the Financial Statements
For the year ended 31 August 2018

3. Funding for Academy's educational operations

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
DfE/ESFA grants				
General Annual Grant (GAG)	-	7,172,422	7,172,422	7,263,842
Pupil premium	-	188,167	188,167	192,226
Other DfE Group grants	-	53,423	53,423	12,321
	-	7,414,012	7,414,012	7,468,389
Other government grants				
Local authority and government grants	-	264,215	264,215	122,729
	-	264,215	264,215	122,729
Other funding				
School fund	285,775	-	285,775	182,096
Staff related income	-	12,725	12,725	23,258
Department income	-	36,888	36,888	28,504
Educational visits	-	2,132	2,132	4,186
Other income	-	38,721	38,721	30,066
	285,775	90,466	376,241	268,110
	285,775	7,768,693	8,054,468	7,859,228
<i>Total 2017</i>	182,096	7,677,132	7,859,228	

4. Other trading activities

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Hire of facilities	36,349	3,838	40,187	34,155
Catering income	451,422	-	451,422	405,895
	487,771	3,838	491,609	440,050
<i>Total 2017</i>	440,050	-	440,050	

Peak Multi Academy Trust
(A company limited by guarantee)

Notes to the Financial Statements
For the year ended 31 August 2018

5. Investment income

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Short term deposits	4,041	-	4,041	2,324
<i>Total 2017</i>	2,324	-	2,324	

6. Expenditure

	Staff costs 2018 £	Premises 2018 £	Other costs 2018 £	Total 2018 £	As restated Total 2017 £
Expenditure on raising funds	10,642	-	450,978	461,620	415,710
Academy Trust's educational operations:					
Direct costs	6,039,596	581,271	921,840	7,542,707	7,401,689
Allocated support costs	693,206	-	696,993	1,390,199	1,466,286
	6,743,444	581,271	2,069,811	9,394,526	9,283,685
<i>Total 2017</i>	6,729,719	554,163	1,999,803	9,283,685	

7. Analysis of expenditure by activities

	Activities undertaken directly 2018 £	Support costs 2018 £	Total 2018 £	Total 2017 £
Educational operations	7,542,707	1,390,199	8,932,906	8,867,975
<i>Total 2017</i>	7,401,689	1,466,286	8,867,975	

Peak Multi Academy Trust
(A company limited by guarantee)

Notes to the Financial Statements
For the year ended 31 August 2018

7. Analysis of expenditure by activities (continued)

Analysis of support costs

	Educational operations £	Total 2018 £	Total 2017 £
Staff costs	693,206	693,206	685,043
Subscriptions	14,360	14,360	14,054
Loss on disposal of fixed assets	-	-	181,821
Staff development	2,324	2,324	405
Technology costs	22,600	22,600	31,747
Printing, postage, stationery and telephone	14,955	14,955	18,610
Maintenance of premises	209,288	209,288	159,295
Equipment costs	1,578	1,578	3,132
Catering costs	19,992	19,992	18,111
Security costs	57,419	57,419	56,433
Rates	41,544	41,544	40,463
Water rates	82,878	82,878	21,452
Energy	122,837	122,837	114,343
Insurance	35,744	35,744	35,155
Governance costs	22,670	22,670	47,160
Bank charges	1,628	1,628	1,708
Other support costs	37,111	37,111	27,042
Cleaning	10,065	10,065	10,312
	1,390,199	1,390,199	1,466,286
<i>At 31 August 2017</i>	1,466,286	1,466,286	

8. Net income/(expenditure)

Net income/(expenditure) for the period includes:

	2018 £	2017 £
Depreciation of tangible fixed assets:		
- owned by the charity	581,271	554,163
Auditors' remuneration - audit	6,500	6,500
Auditors' remuneration - other services	1,275	775
(Gain)/loss on disposal of fixed assets	-	181,821
Operating lease rentals	23,120	31,747

Peak Multi Academy Trust
(A company limited by guarantee)

Notes to the Financial Statements
For the year ended 31 August 2018

9. Staff costs

a. Staff costs

Staff costs were as follows:

	2018 £	2017 £
Wages and salaries	5,134,702	5,139,481
Social security costs	509,499	494,756
Operating costs of defined benefit pension schemes	1,090,702	1,083,625
	<u>6,734,903</u>	<u>6,717,862</u>
Agency staff costs	8,541	-
Staff restructuring costs	-	11,857
	<u><u>6,743,444</u></u>	<u><u>6,729,719</u></u>
Staff restructuring costs comprise:		
Severance payments	-	11,857
	<u><u>-</u></u>	<u><u>11,857</u></u>

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

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £Nil (2017 - £11,857), which were paid to a member of teaching staff in the year as compensation for loss of office.

c. Staff numbers

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

	2018 No.	2017 No.
Teachers	113	114
Support	80	81
Management	12	10
	<u>205</u>	<u>205</u>

Average headcount expressed as a full time equivalent:

	2018 No.	2017 No.
Teachers	96	97
Support	54	56
Management	12	10
	<u>162</u>	<u>163</u>

9. Staff costs (continued)

d. Higher paid staff

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

	2018	2017
	No.	No.
In the band £60,001 - £70,000	2	1
In the band £90,001 - £100,000	0	1
In the band £100,001 - £110,000	1	0

e. Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £877,958 (2017 - £761,340).

10. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The Headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and other staff members under their contracts of employment, and not in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows:

		2018	2017
		£	£
Kevin Gaiderman, Headteacher and	Remuneration	105,000-110,000	100,000-105,000
Accounting Officer	Pension contributions paid	15,000-20,000	15,000-20,000

During the year ended 31 August 2018, no Trustees received any reimbursement of expenses (2017 - £Nil to no Trustees).

11. Trustees' and Officers' Insurance

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

Peak Multi Academy Trust
(A company limited by guarantee)

Notes to the Financial Statements
For the year ended 31 August 2018

12. Tangible fixed assets

	Freehold land and buildings £	Building refurbishment £	Motor vehicles £	Fixtures and fittings £
Cost				
At 1 September 2017	19,985,770	923,959	72,585	219,834
Additions	75,768	73,599	13,000	24,127
At 31 August 2018	20,061,538	997,558	85,585	243,961
Depreciation				
At 1 September 2017	2,058,572	367,029	59,842	164,039
Charge for the year	376,722	99,756	9,620	24,843
At 31 August 2018	2,435,294	466,785	69,462	188,882
Net book value				
At 31 August 2018	17,626,244	530,773	16,123	55,079
At 31 August 2017	17,927,198	556,930	12,743	55,795
		Computer equipment £	Assets under construction £	Total £
Cost				
At 1 September 2017		367,828	-	21,569,976
Additions		33,889	7,000	227,383
At 31 August 2018		401,717	7,000	21,797,359
Depreciation				
At 1 September 2017		268,239	-	2,917,721
Charge for the year		70,330	-	581,271
At 31 August 2018		338,569	-	3,498,992
Net book value				
At 31 August 2018		63,148	7,000	18,298,367
At 31 August 2017		99,589	-	18,652,255

Included in land and buildings is land of £1,225,400 (2016 - £1,225,400) which is not depreciated.

Peak Multi Academy Trust
(A company limited by guarantee)

Notes to the Financial Statements
For the year ended 31 August 2018

13. Stocks

	2018 £	2017 £
Goods for resale	4,797	1,628

14. Debtors

	2018 £	2017 £
Trade debtors	10,218	8,006
VAT recoverable	71,682	32,977
Other debtors	33	-
Prepayments and accrued income	324,203	381,492
	<u>406,136</u>	<u>422,475</u>

15. Creditors: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	237,434	257,259
Taxation and social security	124,963	120,301
Other creditors	26,652	20,510
Accruals and deferred income	538,242	213,012
	<u>927,291</u>	<u>611,082</u>

	2018 £	2017 £
Deferred income		
Deferred income at 1 September 2017	54,412	61,346
Resources deferred during the year	430,466	54,412
Amounts released from previous years	(54,412)	(61,346)
Deferred income at 31 August 2018	<u>430,466</u>	<u>54,412</u>

At the balance sheet date the Academy Trust was holding funds received in advance for rates relief, SSIF grant funding 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 2018

16. Financial instruments

	2018 £	2017 £
Financial assets measured at fair value through income and expenditure	1,200,305	1,087,672
Financial assets measured at amortised cost	167,695	276,237
	<u>1,368,000</u>	<u>1,363,909</u>
Financial liabilities measured at amortised cost	<u>371,862</u>	<u>436,368</u>

Financial assets measured at fair value through income and expenditure comprise cash at bank and in hand.

Financial assets measured at amortised cost comprise trade debtors, other debtors and accrued income.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors and accruals.

Peak Multi Academy Trust
(A company limited by guarantee)

Notes to the Financial Statements
For the year ended 31 August 2018

17. Statement of funds

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
Unrestricted funds						
General Funds	534,053	785,326	(746,762)	-	-	572,617
Restricted funds						
General Annual Grant (GAG)	99,287	7,172,422	(7,257,236)	-	-	14,473
Other DfE/ESFA grants	56,632	241,590	(247,077)	(6,867)	-	44,278
Other government grants	46,858	220,664	(149,698)	(82,769)	-	35,055
Other income	163,863	137,855	(180,482)	(103,712)	-	17,524
Pension reserve	(1,930,000)	-	(232,000)	-	541,000	(1,621,000)
	<u>(1,563,360)</u>	<u>7,772,531</u>	<u>(8,066,493)</u>	<u>(193,348)</u>	<u>541,000</u>	<u>(1,509,670)</u>
Restricted fixed asset funds						
DfE/ESFA capital grants	5,356,410	34,035	(297,767)	193,348	-	5,286,026
LA capital grants	333,128	-	(12,122)	-	-	321,006
Gift from local authority	12,962,717	-	(271,382)	-	-	12,691,335
	<u>18,652,255</u>	<u>34,035</u>	<u>(581,271)</u>	<u>193,348</u>	<u>-</u>	<u>18,298,367</u>
Total restricted funds	<u>17,088,895</u>	<u>7,806,566</u>	<u>(8,647,764)</u>	<u>-</u>	<u>541,000</u>	<u>16,788,697</u>
Total of funds	<u>17,622,948</u>	<u>8,591,892</u>	<u>(9,394,526)</u>	<u>-</u>	<u>541,000</u>	<u>17,361,314</u>

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 Academy Trust's operational activities and development.

Pension reserve

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

Restricted fixed asset funds

This fund represents grants received from the DfE and ESFA, as well as transfers from GAG, to carry out works of a capital nature.

Peak Multi Academy Trust
(A company limited by guarantee)

Notes to the Financial Statements
For the year ended 31 August 2018

17. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
General funds						
General Funds	491,111	639,423	(596,481)	-	-	534,053
Restricted funds						
General Annual Grant (GAG)	429,997	7,263,842	(7,376,685)	(217,867)	-	99,287
Other DfE/ESFA grants	72,324	204,547	(153,783)	(66,456)	-	56,632
Other government grants	45,601	122,729	(121,472)	-	-	46,858
Other income	140,129	86,014	(62,280)	-	-	163,863
Pension reserve	(2,702,000)	-	(237,000)	-	1,009,000	(1,930,000)
	<u>(2,013,949)</u>	<u>7,677,132</u>	<u>(7,951,220)</u>	<u>(284,323)</u>	<u>1,009,000</u>	<u>(1,563,360)</u>
Restricted fixed asset funds						
DfE/ESFA capital grants	4,165,957	1,185,111	(278,981)	284,323	-	5,356,410
LA capital grants	336,927	-	(3,799)	-	-	333,128
Gift from local authority	13,415,921	-	(453,204)	-	-	12,962,717
	<u>17,918,805</u>	<u>1,185,111</u>	<u>(735,984)</u>	<u>284,323</u>	<u>-</u>	<u>18,652,255</u>
Total restricted funds	<u>15,904,856</u>	<u>8,862,243</u>	<u>(8,687,204)</u>	<u>-</u>	<u>1,009,000</u>	<u>17,088,895</u>
Total of funds	<u>16,395,967</u>	<u>9,501,666</u>	<u>(9,283,685)</u>	<u>-</u>	<u>1,009,000</u>	<u>17,622,948</u>

Peak Multi Academy Trust
(A company limited by guarantee)

Notes to the Financial Statements
For the year ended 31 August 2018

A current year 12 months and prior year 12 months combined position is as follows:

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
Unrestricted funds						
General Funds	491,111	1,424,749	(1,343,243)	-	-	572,617
Restricted funds						
General Annual Grant (GAG)	429,997	14,436,264	(14,633,921)	(217,867)	-	14,473
Other DfE/ESFA grants	72,324	446,137	(400,860)	(73,323)	-	44,278
Other government grants	45,601	343,393	(271,170)	(82,769)	-	35,055
Other income	140,129	223,869	(242,762)	(103,712)	-	17,524
Pension reserve	(2,702,000)	-	(469,000)	-	1,550,000	(1,621,000)
	<u>(2,013,949)</u>	<u>15,449,663</u>	<u>(16,017,713)</u>	<u>(477,671)</u>	<u>1,550,000</u>	<u>(1,509,670)</u>
Restricted fixed asset funds						
DfE/ESFA capital grants	4,165,957	1,219,146	(576,748)	477,671	-	5,286,026
LA capital grants	336,927	-	(15,921)	-	-	321,006
Gift from local authority	13,415,921	-	(724,586)	-	-	12,691,335
	<u>17,918,805</u>	<u>1,219,146</u>	<u>(1,317,255)</u>	<u>477,671</u>	<u>-</u>	<u>18,298,367</u>
	<u>15,904,856</u>	<u>16,668,809</u>	<u>(17,334,968)</u>	<u>-</u>	<u>1,550,000</u>	<u>16,788,697</u>
Total of funds	<u><u>16,395,967</u></u>	<u><u>18,093,558</u></u>	<u><u>(18,678,211)</u></u>	<u><u>-</u></u>	<u><u>1,550,000</u></u>	<u><u>17,361,314</u></u>

Notes to the Financial Statements
For the year ended 31 August 2018

18. Analysis of net assets between funds

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	18,298,367	18,298,367
Current assets	722,673	888,565	-	1,611,238
Creditors due within one year	(150,056)	(777,235)	-	(927,291)
Pension scheme liability	-	(1,621,000)	-	(1,621,000)
	<u>572,617</u>	<u>(1,509,670)</u>	<u>18,298,367</u>	<u>17,361,314</u>

Analysis of net assets between funds - prior year

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Tangible fixed assets	-	-	18,652,255	18,652,255
Current assets	626,433	699,088	186,254	1,511,775
Creditors due within one year	(92,380)	(332,448)	(186,254)	(611,082)
Pension scheme liability	-	(1,930,000)	-	(1,930,000)
	<u>534,053</u>	<u>(1,563,360)</u>	<u>18,652,255</u>	<u>17,622,948</u>

19. Reconciliation of net movement in funds to net cash flow from operating activities

	2018 £	2017 £
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(802,634)	217,981
Adjustment for:		
Depreciation charges	581,271	554,163
Dividends, interest and rents from investments	(4,041)	(2,324)
Loss on the sale of fixed assets	-	181,821
(Increase)/decrease in stocks	(3,169)	2,064
Decrease/(increase) in debtors	16,339	(207,269)
Increase/(decrease) in creditors	316,209	(195,833)
Capital grants from DfE and other capital income	(130,770)	(1,206,611)
Defined benefit pension scheme cost less contributions payable	232,000	237,000
Net cash provided by/(used in) operating activities	<u>205,205</u>	<u>(419,008)</u>

Peak Multi Academy Trust
(A company limited by guarantee)

Notes to the Financial Statements
For the year ended 31 August 2018

20. Analysis of cash and cash equivalents

	2018 £	2017 £
Cash in hand	1,200,305	1,087,672
Total	<u>1,200,305</u>	<u>1,087,672</u>

21. Capital commitments

At 31 August 2018 the Academy Trust had capital commitments as follows:

	2018 £	2017 £
Contracted for but not provided in these financial statements	-	1,150,632

22. Pension commitments

The Academy Trust's employees belong to two principal pension schemes: the Teacher's Pension Scheme for 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 pension schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

Contributions amounting to £17,435 were payable to the schemes at 31 August 2018 (2017 - £20,485) and are included within creditors.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. 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 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

22. Pension commitments (continued)

- employer contribution rates set at 16.48% of pensionable pay, including a 0.08% employer administration charge (currently 14.1%)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

During the previous year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to TPS in the period amounted to £667,754 (2017 - £665,924).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx).

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £231,023 (2017 - £225,000), of which employer's contributions totalled £182,898 (2017 - £172,000) and employees' contributions totalled £48,124 (2017 - £53,000). The agreed contribution rates for future years are 5.8% - 12.5% for employers and 5.5% - 11.4% 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:

	2018	2017
Discount rate for scheme liabilities	2.80 %	2.50 %
Rate of increase in salaries	2.80 %	2.90 %
Rate of increase for pensions in payment / inflation	2.30 %	2.40 %

Notes to the Financial Statements
For the year ended 31 August 2018

22. 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:

	2018	2017
Retiring today		
Males	21.9	21.9
Females	24.4	24.4
Retiring in 20 years		
Males	23.9	23.9
Females	26.5	26.5

	At 31 August 2018 £	At 31 August 2017 £
Sensitivity analysis		
Discount rate -0.5%	594,000	560,000
Salary increase rate +0.5%	120,000	129,000
Pension increase rate +0.5%	464,000	419,000

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

	Fair value at 31 August 2018 £	Fair value at 31 August 2017 £
Equities	1,882,700	1,678,240
Gilts	533,900	468,920
Corporate bonds	196,700	172,760
Property	196,700	148,080
Total market value of assets	2,810,000	2,468,000

The actual return on scheme assets was £70,000 (2017 - £249,000).

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

	2018 £	2017 £
Current service cost	(361,000)	(350,000)
Interest income	64,000	44,000
Interest cost	(115,000)	(103,000)
Total	(412,000)	(409,000)

Peak Multi Academy Trust
(A company limited by guarantee)

Notes to the Financial Statements
For the year ended 31 August 2018

22. Pension commitments (continued)

Movements in the present value of the defined benefit obligation were as follows:

	2018 £	2017 £
Opening defined benefit obligation	4,398,000	4,713,000
Current service cost	361,000	350,000
Interest cost	115,000	103,000
Employee contributions	52,000	53,000
Actuarial gains	(471,000)	(804,000)
Benefits paid	(24,000)	(17,000)
	<u>4,431,000</u>	<u>4,398,000</u>
Closing defined benefit obligation	<u>4,431,000</u>	<u>4,398,000</u>

Movements in the fair value of the Academy Trust's share of scheme assets:

	2018 £	2017 £
Opening fair value of scheme assets	2,468,000	2,011,000
Interest income	64,000	44,000
Actuarial gains	70,000	205,000
Employer contributions	180,000	172,000
Employee contributions	52,000	53,000
Benefits paid	(24,000)	(17,000)
	<u>2,810,000</u>	<u>2,468,000</u>
Closing fair value of scheme assets	<u>2,810,000</u>	<u>2,468,000</u>

23. Operating lease commitments

At 31 August 2018 the total of the Academy trust's future minimum lease payments under non-cancellable operating leases was:

	2018 £	2017 £
Amounts payable:		
Within 1 year	19,638	23,462
Between 1 and 5 years	683	22,645
	<u>20,321</u>	<u>46,107</u>
Total	<u>20,321</u>	<u>46,107</u>

24. 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.

25. Related party transactions

Owing to the nature of the Academy Trust's operations and the composition of the Governing Body being drawn from local public and private sector organisations, transactions may take place with organisations in which the Trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy Trust's financial regulations and normal procurement procedures.

The Academy Trust made purchases of educational material totalling £Nil (2017 - £5,500) from the Bryanston Square Foundation, a Company in which M Orlovsky is also a Director, in the period since he was appointed a Trustee. The transactions were arranged prior to M Orlovsky becoming a Trustee and thus follow the Academy Trust's normal procurement procedures. At the Balance sheet date £Nil (2017 - £Nil) was outstanding.