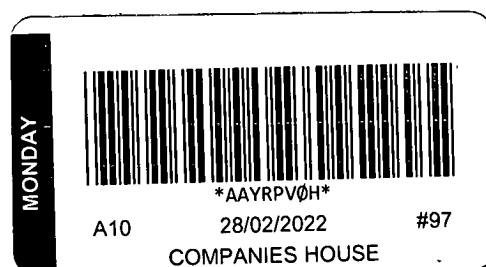


THE PINNACLE LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2021

Haines Watts
Chartered Accountants & Registered Auditors
Bridge House
157A Ashley Road
Hale
Altrincham
Cheshire
WA14 2UT



THE PINNACLE LEARNING TRUST

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THE PINNACLE LEARNING TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Members	A Kilburn E Morris M Hewstone S Waseem Khawaja K Sinfield
Trustees (Directors)	A Kilburn J Clarke D McEntee J Porter A Ur-Rehman C Wilson I Howard C Horrocks R Sutcliffe (appointed 6 September 2021) D Hunt
Company Secretary	
Trust Executive Team	J Clarke, Executive Principal/CEO and Accounting Officer P Roberts, Acting Principal (resigned 28 February 2021) S Reeves, Associate Principal (appointed 17 May 2021) M Giles, Principal J Bell, Principal J Dunkerley, Chief Financial Officer P McIlroy, Chief Operating Officer (appointed 1 June 2021)
Principal and Registered Office	The Hathershaw College Bellfield Avenue Oldham Lancashire OL8 3EP
Company Registration No.	07687135
External Auditors	Haines Watts 1157A Bridge House Ashley Road Hale Altrincham WA14 2UT
Internal Auditors	Wylie and Bisset 168 Bath Street Glasgow G2 4TP
Bankers	Lloyds Bank 16 Market Street Oldham Lancashire OL1 1JG
Solicitors	Browne Jacobson LLP 14th Floor No.1 Spinningfields 1 Hardman Square Manchester M3 3ED

THE PINNACLE LEARNING TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

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

The Trust is currently responsible for Oldham Sixth Form College, The Hathershaw College and Werneth Primary School.

Oldham Sixth Form College

Student numbers on census date (13/10/2021): 2,359 (2020: 2,313)

The Hathershaw College

Hathershaw PAN (pupil admission number) is 1,050.

Students on roll as at census (01/10/2021) 1,070 (2020: 1,073)

Werneth Primary School (joined 1 February 2019 from Bright Tribe Trust)

Werneth PAN is 535 (on GIAS, but 459 using the agreed PAN of 60 per year, plus 39 in nursery). Pupils on roll as at census date (01/10/2021) 434 (2020: 412)

Structure, governance and management

Constitution

The Trust is a company limited by guarantee and is an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Trust. The company registration number is 07687135.

The trustees are also the directors of the charitable company for the purposes of company law. The charitable company operates as The Pinnacle Learning Trust, Oldham Sixth Form College, The Hathershaw College and Werneth Primary School.

Details of the trustees who served throughout the year except as noted are included in the Reference and Administrative Details on page 1.

Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after 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.

Trustees' indemnities

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

Method of recruitment and appointment or election of Trustees

The management of the Trust is the responsibility of the trustees who are elected and co-opted under the terms of the Articles of Association with effect from 1 September 2017. The Articles of Association require there to be a minimum of no fewer than three trustees.

Policies and procedures adopted for the induction and training of Trustees

Newly-appointed trustees are inducted into the workings of the Trust, including policies and procedures, as per the Trust's Transition and Induction Policy and Procedures. The Trust is a member of the National Governance Association and the Confederation of School Trusts, both of which provide regular access to updates and training for Trustees and committee members. Where necessary, induction provides training on charity and educational, legal and financial matters. Trustees are invited to attend various training sessions covering all matters of governance through senior leaders and external training providers. The local governing bodies have designated members for key areas of responsibility, such as safeguarding and health and safety and the Trust Board similarly has leads for these areas

THE PINNACLE LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Organisational structure

The Trust has a leadership which consists of six levels:

- 1 The members
- 2 The trustees
- 3 The Local Governing Body of each academy
- 4 The Trust Executive Team (Trust Senior Leaders)
- 5 The Senior Leadership Team of each academy
- 6 The academy teams

The aim of the leadership structure is to devolve responsibility appropriately and encourage decision-making at all levels. The Executive Principal is the Accounting Officer. Full details of roles and responsibilities are given in the scheme of delegation and the code of governance.

The Board meets as a full body a minimum of 6 times throughout the year. The Trustees are responsible for setting general policy, adopting a strategic plan and budget on an annual basis, monitoring the Trust's use of budgets and making major decisions about the direction of the Trust, capital expenditure, student outcomes and senior staff appointments. The local governing body at each academy reports to the Trust Board and monitors outcomes at academy level, including academy-specific policies and quality and standards. The Trust Executive team is detailed on page 1. The senior leadership teams control each academy on a day to day basis, implementing the policies laid down by the Trustees and reporting back to them.

Arrangements for setting pay and remuneration of key management personnel

A sub-committee of the Trust board is responsible for determining the policy for the remuneration of the Executive Principal and other senior Trust level appointments, along with setting and reviewing the pay for the Principal of each academy. In determining such policy, the committee will take into account all factors which it deems necessary, including relevant regulatory requirements.

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
6	5.8

Percentage of time spent on facility time

Percentage of time	Number of employees
1% - 50%	6

Detail of pay bill spent on facility time 2020

Provide the total cost of facility time	£1,318.02
Provide the total bill	£16,514,479.66
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time / total pay bill) x 100	0.01%

THE PINNACLE LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Paid trade union activities 2020

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100	5.56%
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Connected organisations, including related party relationships

M Giles, the Principal at Hathershaw, is a Director at West Oldham Trust a voluntary disclosure has been made in note 25. West Oldham Trust's objective is to advance the education of pupils at the member schools, to advance the education of other members of the community and to benefit the community. J Clarke, Executive Principal/CEO, is a Director at The Sixth Form Colleges' Association (SFCA) a voluntary disclosure has been made in note 25. The SFCA provides the platform for the views of sixth form education and is a national network of sixth form providers.

Engagement with employees (including disabled persons)

The Trustees have acted in accordance with their duties in their engagement with employees and taken account of their interests as set out in The Companies (Miscellaneous Reporting) Regulations 2018.

The success of the Trust results from the full commitment of our employees to our mission statement and core values. We value our employees and engage with the workforce via academy employee representatives and through regular consultation with local union representatives on policies and working conditions. We keep employees informed via regular staff meetings and bulletins, and seek their views via staff engagement groups and surveys. We foster an environment where employees feel supported in their work through training and development and well-being initiatives. The Trust invests significantly in the workforce as we believe that maintaining low turnover rates across the Trust is important to our success.

Engagement with suppliers, customers and others in a business relationship with the trust

The Trustees have acted in accordance with The Companies (Miscellaneous Reporting) Regulations 2018 to summaries how they have had regard to the need to foster a business relationship with suppliers, customers and others, and the effect of that regard, including principal decisions taken by the Trust during the financial year.

- We have maintained strong client relationships with our major suppliers, for example catering and cleaning which has been more prevalent during COVID-19 when the need to reduce their financial risk was paramount following the partial closure of each academy during this period.
- We have valued all our suppliers and have a number of key suppliers who we have multi-year contracts as well as at Trust level, for example cleaning, catering and utilities.
- We maintain regular communication and engagement, during COVID-19 holding regular meetings via an online platform, with our suppliers and customers to ensure they are fully aware of the Trusts current and future year requirements whether that be the purchase of goods & supplies and/or the provision of training by the Teaching School.

Objectives and activities

The principal object and activity of the charitable company is the operation of The Pinnacle Learning Trust, to provide education for students/pupils of different abilities between the ages of 3 to 19.

In accordance with the Funding Agreement made under section 1 of the Academies Act 2010 between the Secretary of State for Education, the Trust is governed by a Trust Board, which exercises its power and functions with a view to fulfilling a largely strategic role in running of the academies. The Funding Agreement specifies the admission arrangements, among other things, and that the curriculum at each academy, in substance, complies with statutory requirements.

THE PINNACLE LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Objects and aims

The main objects of the Trust during the year to 31 August 2021 are provided below and specifically restricted to the following, as per the Articles of Association:

- To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing, by establishing, maintaining, carrying on, managing and developing a multi-academy trust offering a broad and balanced curriculum.

The broader vision, mission, ethos and values of the Trust are as follows:

Vision

Our vision is of a locally-focused Trust with academies in all phases of education, an understanding of the communities we serve and a rigorous culture of high aspirations and strong academic performance creating opportunities that will be transformational and improve the life chances of our young people.

Mission

We seek to achieve our vision with a relentless determination to show our students and others we support, both within and beyond the Trust what is possible by:

- Expecting excellence and achieving the highest standards for young people; encouraging them to have the highest aspirations for themselves
- Providing innovative training to staff so they are the best they can be
- Working collaboratively to ensure best practice across Trust schools and colleges and more widely so we continuously learn from one another
- Building a portfolio of experiences and network of partners to enrich students' experiences
- Providing a strong central services offer to allow leaders and teachers to focus on education.

Ethos

Our ethos is built upon a desire to create extraordinary opportunities for staff and students that they won't experience elsewhere, significantly improving their chances to progress, achieve and go on to succeed in the lives and careers they want and deserve.

Values

Underpinning our daily activities are our key values:

- **Celebrate students' uniqueness** and support each one to flourish and become responsible, successful citizens who contribute positively to their communities
- **Offer exceptional learning environments** which create positive and challenging spaces that allow students and staff to thrive
- **Develop outstanding leadership** at all levels
- **Celebrate diversity** by encouraging an understanding of our communities, faiths and cultures.

Objectives, strategies and activities

The Trust's main strategy is to raise standards of achievement and progress for the children and young people in its academies through an unrelenting focus on continuous improvement in all aspects of the organisation. The core purpose of the Trust is teaching and learning: its people and resources are constantly measured by their contribution to the overall quality of teaching and learning therefore the standards achieved by its students.

Strategic Objectives for 2024

- To be a strong, highly respected and valued partner, with a local, regional and national reputation for providing excellent education and supporting the achievement of high standards for education providers within and beyond the Trust
- To grow the Trust in a sustainable manner, through new academies joining, Trust Partnership opportunities and as a provider of professional development
- All Pinnacle academies to be Good or better (or on a clear path to being Good) within 3 years of joining the Trust, with an aspiration to be Outstanding
- To develop and secure an effective, professional and efficient central services offer for the academies in the Trust.

The priorities over the next 3 years are detailed in the Future Plans on page 15.

THE PINNACLE LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Public benefit

The Trust provides educational services to children and young people in the local area. The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the public benefit guidance provided by the Charity Commission.

In setting strategic aims and objectives and planning and reviewing activities, Trustees have had regard to the Charity Commission guidance on public benefit. The Trust serves the Oldham area, with Oldham Sixth Form College serving students from across Oldham and beyond (into Tameside, North Manchester and Rochdale, for example) whilst Werneth Primary and Hathershaw College pupils are largely drawn from the West Oldham area. In providing activities through the Teaching School, Associate Research School and EdTech Demonstrator, a wider community is served, largely but not exclusively focused on Oldham. Those benefiting from the Trust's activities access these through attendance at the academies and through Trust staff attending other providers' locations to provide support. In addition, support and provision are provided online, as appropriate.

The Trust advanced education for the public benefit in a variety of ways during the academic year 2020-21, including the provision of the following services and support:

- Education at nursery, primary, secondary and sixth form levels
- A very broad range of extra-curricular activities, including trips and visits (albeit the usual offer was necessarily reduced due to the pandemic), summer schools, after school clubs and more
- providing support to young people in respect of physical and learning difficulties and disabilities, and personal, welfare and mental health issues
- Supporting parents to engage with and support their children's education
- Supporting schools beyond the Trust in respect of their education provision through our work via the Teaching School, Associate Research School, EdTech Demonstrator and through Trust staff taking on Trustee and Governor roles at a range of other schools
- A range of staff working as examiners in their specialist subjects, providing support to the education system beyond the Trust.

This is not a definitive list but gives a feel for the broad range of activities provided within and beyond the Trust in advancing education for the public benefit.

Strategic report

Achievements and performance

As a result of exams not taking place in 2021, outcomes reported for 2021 are Teacher Assessment Grades (TAGs) for both OSFC and Hathershaw, with no 2021 data for Werneth due to SATs not taking place. Neither 2021 nor 2020 data is being used nationally to make judgements about any education provider and should not be used to make comparisons between providers.

Oldham Sixth Form College

The College was judged by Ofsted to be Good in September 2016 and has achieved improved results since this judgement, with progress scores consistently above average and GCSE Maths and English resit outcomes that are well above sector averages.

A Level %	2018	2019	2020	2021	National 2019
Pass	98.2	99.0	99.5	99.1	97.6
A* - B	49.7	43.2	50.5	53.1	

Extended Diploma (BTEC and CAMTEC)	2018	2019	2020	2021
Pass	98.3	99.1	99.9	98.7
High grades (DMM+)	81.1	85.6	85.1	83.7

THE PINNACLE LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

GCSE Courses					
OSFC outcomes	2018	2019	2020	2021	National 2019
GCSE Maths (grades 4+)	46.1%	54.7%	52%	52.3%	36%
GCSE English (grades 4+)	58.3%	59.8%	70.5%	85.5%	51%

Value-added Quality Indicator scores, as measured by ALPS, are grade 3* for both A Level and Vocational programmes:

A Level	2018	2019	2020	2021
Provider A Level Quality Indicator Grades	3	4	3	3
BTEC	2018	2019	2020	2021
Provider BTEC Quality Indicator Grades	3	2	3	3

* The ALPS scoring system runs from 1 – 9, where 1 is best and 9 is worst. A score of 3 places outcomes at OSFC in the top 25% nationally.

The Hathershaw College - Outcomes summary

The academic year 2021/22 was another turbulent one as a result of the pandemic. As a result of the enforced closure of schools during much of the spring term and the suspension of GCSE exams, the grades received by students were generated through a process of Teacher Assessment Grades (TAGs). Whilst there will have been variation in the way these grades were generated between schools, the methodology underpinning them was consistent between subjects within the school. All Year 11 students completed a series of internal assessments, including a number of these in the vast majority of non-practical/vocational subjects taking place in the same environment as would have been used if exams had proceeded as normal. All assessments were marked, moderated and then used alongside historic assessment data to determine a student's final grade. These were then quality assured by Curriculum Leaders and Senior Leaders before being signed off by the Principal prior to submission to examination boards. Examination Boards then sampled a range of assessment data, upholding all grades submitted.

Performance Measure	2021 College Results	2019 National
Progress 8 **		
All students	+0.54	0
Disadvantaged students	+0.08	-0.45
Others (not disadvantaged)	+0.86	0.13
Girls	+0.83	0.23
Boys	+0.22	-0.27

THE PINNACLE LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Attainment 8				46.55
All students		48.17		46.55
Disadvantaged students		43.64		36.70
Others (not disadvantaged)		51.21		50.15
Girls		52.10		49.33
Boys		43.76		43.88
	English 4+	English 5+	English 4+	English 5+
All students	70.6%	54.2%	73	56
Disadvantaged students	64.0	48.8%	63 *SISRA	45 *SISRA
Others (not disadvantaged)	75.0	57.8%	83 *SISRA	67 *SISRA
Girls	78.8%	40.6%	78	62
Boys	61.4%	66.4%	63	45
	Maths 4+	Maths 5+	Maths 4+	Maths 5+
All students	72.0	50.5%	71	50
Disadvantaged students	65.1%	37.2%	54 *SISRA	32 *SISRA
Others (not disadvantaged)	75.6%	59.4%	77 *SISRA	55 *SISRA
Girls	74.3%	47.5%	72	50
Boys	69.3%	53.1%	71	50
	English & Maths 4+	English & Maths 5+	English & Maths 4+	English & Maths 5+
All students	64%	43.5%	66	44
Disadvantaged students	54.7	34.9%	44.7	24.7
Others (not disadvantaged)	70.3%	49.2%	71.8	49.9
Girls	69.9%	50.4%	68.4	46.6
Boys	57.4%	35.6%	61.0	40.0

*1 Progress scores calculated using 2019 examination result conversions based on data published in February 2020

Attendance

Up until the start of the pandemic, student attendance has been a particular strength at Hathershaw, with excellent systems to track, monitor and intervene as required. However, the pandemic has resulted in a concerning decline in student attendance at the college and nationally. The college is usually able to report student attendance of in excess of 95%, which is above average secondary school attendance nationally. However, the whole school attendance for the 2021/22 academic year was 90.1%, mainly as a result of over 120 students testing positive for COVID and being required to self-isolate. Whilst self-isolation associated with having been the contact of a case has no impact on attendance as a result of documenting this using the X code, once a student receives a positive diagnosis of COVID, this is recorded as an illness and does impact negatively on attendance. Although the whole school attendance was reported as just over 90% for the last academic year, which in any other period would be seriously concerning, it should be noted that secondary school attendance nationally for the same period was approximately 89%.

THE PINNACLE LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Werneth Primary School

Progress and attainment

The table below provides 2020-21 progress and attainment data for Werneth, based on the summer term 2021. Progress is more than expected for all groups overall, with progress in Reading, Writing and Maths being equivalent to 1 full academic year plus 1 half term. To have achieved 7 half terms-worth of progress in a year where there have only been 4 full half terms in school is a truly remarkable achievement. Attainment will take longer to catch up and match national averages, but it is clear that the gap between Werneth pupils and the national average will narrow over time because of the accelerated progress that they are making.

Year 1-6- Progress and attainment data- Summer 2, 2021

(Data from Autumn 1 to Summer 2. 'Expected' progress would be 5 subgrades.

**School closed 4th Jan-8th Mar 2021)

Group	Reading- average sub-grades progress	Writing- average sub-grades progress	Maths- average sub-grades progress
All pupils (352)	7.3	7.2	7.7
Boys (191)	7.6	7.4	7.8
Girls (161)	7.0	6.9	7.6
FSM (101) vs non-FSM	7.6 vs 7.2	7.2 vs 7.1	7.7 vs 7.8
SEN (66) vs non-SEN	6.9 vs 7.4	5.8 vs 7.5	5.6 vs 8.3
Pupil premium (116) vs non-PPG	7.5 vs 7.3	7.3 vs 7.1	7.5 vs 7.8
Core pupils (Rec Sum 2 or earlier) vs non-core (Arrived Aut 1 Y1 onwards)	7.2 vs 8.0	7.3 vs 6.9	8.0 vs 6.4
More able pupils (GD in Y2) (19)	7.8 (19 pupils)	7.5 (10 pupils)	9.5 (23 pupils)
On track for ARE or above % at ARE (B or B+) Dec 2020	128/340 pupils =39%	112/340 pupils =34%	41/340 pupils =12%
% at working within Year group band assessments (AwL B) Mar 2021	173/346= 50%	182/346= 49%	76/346= 22%
% at ARE (AwL W) Mar 2021	86/346= 25%	103/346= 30%	46/346= 13%
% at ARE (S or above) July 2021	171/352= 49%	145/352= 41%	156/352= 44%
% at s+ July 2021	33/352= 9%	25/352= 7%	41/352= 12%
Children on roll 2019-20 % at ARE (S or above) July 2021	166/310= 54%	141/310= 45%	149/310= 48%
Children on roll 2019-20 S+ July 2021	32/310= 10%	24/310= 8%	31/310= 10%

Key:

FSM= Free school meals eligible children; **SEN**= Special Educational Needs; **Pupil Premium/PPG**= pupils eligible for the Pupil Premium Grant; **Core pupils**= had joined Werneth Primary School by the end of the Summer 2 (Sum2) half term; Non-core pupils= joined after Reception

More able pupils= achieved Greater Depth (GD) in Year 2. This is a measure of attainment that is above the expected level and children achieving this in Year 2 would be expected to achieve Greater Depth in the Year 6 (End of Key Stage 2) assessments. Other schools use the term 'gifted and talented' to identify these pupils.

% at working within Year group band assessments= the % of children accessing objectives for the year group. This does not mean that these children will achieve the age-related expectation by the end of the year.

% at **ARE**= the % of children working at an attainment level that suggests that they are on track to meet the **age-related expectation** (or better) by the end of the academic year.

THE PINNACLE LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

AwL B = Assessment without Levels - Below the standard for the year group

AwL W = Assessment without Levels - Within the standard for the year group

S or above and **S+** relate to children securely meeting or exceeding the ARE (age-related expectation)

Reading

- **Progress** is one full terms' worth of progress more than expected (approx. 12 weeks more than expected progress). All groups are making at least expected (5 subgrades) of progress in Reading.
- **Attainment** continues to be an area of focus, with Covid school closure disruption impacting on teachers' ability to hear children read aloud, provide bespoke interventions and to assess against age-related expectations.
- **Autumn term actions:** Implementation of 1:1 reading, implementation of Big Cat Reading Scheme for home reading and systems embedded for Phonics, shared reading and guided reading.
- **Raising attainment in Reading will continue to be focus of the 2021-22 School Development Plan**, with the implementation of 1:1 reading and home reading planned for when Covid restrictions are eased.

Writing

- **Progress** is one full terms' worth of progress more than expected (approx. 12 weeks more than expected progress). All groups are making at least expected (5 subgrades) of progress in Writing.
- **Attainment** continues to be an area of focus, with Covid school closure disruption impacting on children's opportunities to write at length, develop and apply age-related skills/objectives and write a full range of genres.
- **Autumn term actions:** The long-term plan has been reorganised to provide opportunities for age-related skills/objectives to be taught, applied and assessed with closer links to children's learning in Humanities and Science. This will increase the opportunities for cross-curricular writing and (as importantly) will provide increased opportunities for children to verbally rehearse newly acquired subject specific vocabulary regularly.
- **Raising attainment in Writing will continue to be focus of the 2021-22 School Development Plan**, with the consistent implementation of the amended long-term sequence and updated Writing Policy being the main driver for raised attainment.

Maths

- **Progress** is one full terms' worth of progress more than expected (approx. 12/15 weeks more than expected progress). All groups are making at least expected (5 subgrades) of progress in Maths.
- **Attainment** continues to be an area of focus, with Covid school closure disruption impacting on teachers' ability to fully model new knowledge and skills. Progressing through *concrete-pictorial-abstract* and *fluency-problem solving-reasoning* sequencing was a significant challenge during lockdown. Due to the White Rose Maths long term planning sequence, full coverage was not achieved until the end of the academic year and attainment lagged behind that in Reading and Writing most of the Autumn, Spring and Summer terms. However, this is now in line with attainment in Reading and Writing because children have had full coverage of the curriculum.
- **Autumn term actions:** The long-term plan will be reviewed to identify areas of Maths less frequently covered through the Autumn and Spring White Rose planning sequence. The Maths Lead will work with teachers to plan opportunities to include these areas of Maths (e.g. Averages in Year 5) earlier in the sequence to give children an opportunity to revise and apply concepts that do not have as much allocated to them.
- **Raising attainment in Maths will continue to be focus of the 2021-22 School Development Plan**, with the continued consistent implementation of the agreed Maths Policy being the main driver for raised attainment.

The Trust also monitors pupil progress, outcomes, attendance, retention and staffing data against attendance and results data at full Trust Board, Committee and local governing body meetings.

Going concern

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

THE PINNACLE LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Promoting the success of the company

The Trustees have acted in accordance with their duties codified in law, which include their duty to act in the way in which they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members, stakeholders and the matters set out in section 172(1) of the Companies Act 2006. The Charities Commission has issued guidance which explains that charitable companies should take "promoting the success of the company" to mean "promoting the success of the charity to achieve its charitable purposes."

The Pinnacle Learning Trust is governed by its charitable objects. These charitable objects set out the purpose of the charity. The consequences of all decisions and activities of the charity are assessed by how they drive us towards achieving that long-term purpose, including by reference to the charity's strategy, vision and values. As an educational charity, we are accountable not only to our funders and direct beneficiaries (our students) but also our parents and wider community. These stakeholders support us, engage with us, and challenge us. They ensure that the decisions we make as a charity, from the ground level through to the Board, are for their benefit. We are a values-driven organisation and our values mean that we are informed, shaped and powered by our determination to uphold our vision and values. Well-established involvement and consultation mechanisms, both direct (through student, parent and staff surveys) and indirect (through the involvement of parents and local people on our Local Governing Body and Trust Board) ensure that decisions made by the Trustees are informed by the needs of the organisation's stakeholders.

Long-term consequences of any decision

Trustees consider the consequences of any strategic decision in the long-term as part of their assessment. We aim to ensure that as an organisation we balance our income and expenditure to ensure that our organisation remains sustainable in the long term. This is balanced against the needs of our students, staff and other stakeholders, and the community, to ensure we are spending the funding we receive from the government in the most effective way to support our aims, and with integrity.

The interests of the company's employees

Details of how the Trustees give consideration to the interests of the organisation's employees can be found in the section 'Engagement with employees' within this report.

The need to foster the company's business relationships with suppliers, customers and others

Details of how the Trustees give consideration to the interests of the organisation's other stakeholders can be found in the section 'Engagement with suppliers, customers and others in a business relationship with the Trust'.

The impact of the company's operations on the community and the environment

Details of how the Trustees give consideration to the impact on the community can be found in the section 'Engagement with suppliers, customers and others in a business relationship with the Trust'. Further information is also given in the section on Public Benefit. An example of how the Trust has considered its impact on the local community over the previous 12 month period, has been the establishment of a foodbank at Werneth Primary School, to support families who have been hit hard by the pandemic. In addition, all three academies remained open to all vulnerable students and the children of key workers throughout the lockdown period from January to March 2021.

The desirability of the company maintaining a reputation for high standards of business conduct

The Trust aims to conduct all its relationships with integrity and courtesy, and scrupulously to honour every business agreement. The Trustees have approved a number of policies that help to ensure the charity maintains high standards of business conduct; including the Investment Policy, Anti-Fraud and Whistleblowing Policies, and Gifts and Hospitality Policy.

The need to act fairly between members of the company.

All members of the Trust are treated fairly and equally, with the same access to information, the ability to directly contact trustees or the Executive, and being invited to participate in training or relevant strategic events

All matters reserved for decision by the Trustees are presented at Board or Committee meetings as appropriate. Trustees are briefed on any identified potential impacts and risks for our stakeholders and how they are to be managed. The Trustees take these factors into account before making a final decision which together they believe is in the best interests of the Trust and its stakeholders.

THE PINNACLE LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Financial review

The Trust continues to adopt the Financial Regulations and Procedures and accompanying Scheme of Delegation which were drawn up in September 2020 and are reviewed and updated on an annual basis.

The Trust's incoming resources during the year amounted to £23,305,000 (2020: £22,336,000). The majority of the Trust's income derives from central government funding via the Education and Skills Funding Agency in the form of recurrent grants. Further details of these grants are provided in the notes to the accounts.

Total outgoing resources for the year were £23,926,000 (2020: £22,270,000), the majority of which related to the direct provision of educational operations. Expenditure exceeded income during the year by £621,000 (2020: £66,000 surplus).

At the year-end 31 August 2021, the total reserves amounted to £21,370,000 (2020: £24,328,000), including a deficit on the restricted pension fund of £14,110,000 (2020: £10,551,000).

Cash balances at the year ended 31 August 2021 were £6,210,000 (2020: £5,493,000).

At 31 August 2021, all assets shown in the financial statements were used exclusively for providing education and associated support services to students in the Trust.

Funds in deficit

The Local Government Pension Scheme (LGPS) is in a deficit position as at 31 August 2021 resulting in a pension fund reserve deficit. The deficit on the LGPS does not mean that an immediate liability crystallises. The deficit results in a cash flow effect for the multi-academy trust in the form of possible future increases in pension contributions which, if required, will be met from the budgeted annual income. There is therefore no direct impact on the free reserves of the multi academy trust because of recognising the deficit. Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of an academy trust closure, outstanding local government pension scheme liabilities would be met by the Department for Education. This guarantee came into force on 18 July 2013.

The principal sources of funding and how expenditure has supported the key objectives of the Trust

The Trust receives its principal funding from the Education and Skills Funding Agency in the form of current grants, including:

- Pupil led factors.
- Special educational needs.
- Minimum funding guarantee.
- Education Services Grant.
- Pre/Post 16 high needs.
- Capital improvement funding.

Financial and risk management objectives and policies

The Trustees have assessed the major risks to which the Trust and academies are exposed, in particular to those relating to standards, reputation, funding, provision of facilities and other operational areas of the Trust and its finances. The Trustees have implemented a number of systems to enable them to assess the risk which the Trust faces, in particular those relating to operational areas such as teaching, health and safety and safeguarding as well as in relation to the control of finance. Systems have been implemented by the trustees to minimise risk which included vetting of staff, registration and signing in procedures for visitors and supervision of the estates.

As a Trust directly funded by the Department for Education, funding streams are considered to be reasonably safe and secure. The risk mainly arises from changes in government policy and funding levels. A key risk is falling student/pupil numbers. The trustees have a risk management strategy which is reviewed and updated on a regular basis.

The Trust's share of the defined benefit pension scheme liability is £14,110,000 (2020: £10,551,000) and the risk is that if the defined benefit pension scheme deficit increases, there may be an impact on cash flow representing an increase in employer's pension contributions. The trustees are satisfied that the Trust is able to meet its known contribution to commitments for the foreseeable future.

THE PINNACLE LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Reserves policy

The Trust's target is to maintain sufficient reserves of at least 2% of income in any financial year, in 2020/21 this value was £466,000, to enable it to operate effectively in what is becoming a less certain economic and funding environment, to address any current year shortfall in funding, or to use them in the on-going investment in the Trust's estate, subject to satisfying the terms and conditions of the grant funding. Individual academies are expected to produce at least breakeven budgets each year.

Restricted general reserves

Restricted Income Funds must be spent by the Trust on the provision of education. At the 31 August 2021 these funds totalled £3,496,000 which the Trust board intends to use to invest in the Trust's academy buildings, infrastructure and resources. Transfer from the Restricted Income Fund to the Fixed Assets Reserves will be reflected annually as capital expenditure is incurred. Due to the implications of COVID-19 the reserve balance is higher than expected, however this will be offset in 2020/21 due to the ongoing pandemic when the trust will incur additional costs specifically in relation to for example catering/free school meals, additional staffing, increased health & safety requirements which were previously unbudgeted.

Unrestricted reserves

Unrestricted income funds are those funds that the Trust can spend how they believe appropriate within the aims and objectives of the Trust. As at year ended 31 August 2021 the unrestricted reserves of the Trust are £1,547,000.

Investment policy and performance

All investments are made in accordance with the Trust's policy on investments, which is one of minimum risk, with all investments being held with the Trust's bankers. The Trust will nevertheless seek to maximise interest receipts with these arrangements. Under the Memorandum and Articles of Association, the Trust has the power to invest funds not immediately required for its own purposes in any investments the trustees see fit. The Trust has a positive cash balance to cover eventualities and unforeseen expenses. The banking facilities are also reviewed on a regular basis.

The Trust has invested £750,000 on long term deposits during the year ended 31 August 2021.

Principal risks and uncertainties

The trustees delegate responsibility for identifying risks faced by each Academy of The Pinnacle Learning Trust, alongside identifying risks at Trust level.

Risk registers exist at both Trust and academy level. Each Senior Leadership Team is responsible for the management of risks faced by their respective academy, monitored by the respective Local Governing Body and reported to the Audit and Risk (A&R) Committee. The A&R Committee also monitors the Trust risk register at each of its meetings. The Senior Leadership Teams ensure that employees are aware of key risks and control measures. The Trustees are satisfied that the system of delegated responsibility and the associated procedures are consistent with guidelines issued by the Charity Commission. Risks are identified and assessed and controls are established on an ongoing basis.

The Trust Audit and Risk Committee receives updates on each Academy's risks and is responsible for ensuring that the overall Trust-level risks are monitored and controlled.

The main risks to the Trust and its academies as identified in the risk registers are:

- Risks associated with the ongoing pandemic, impacting on the provision of education across the Trust, particularly as a result of periods of lockdown and isolation for staff and students.
- Changes in Government legislation, particularly with regard to funding and guidance in the context of the pandemic. There is ongoing uncertainty, outside of the control of individual Trusts or academies, in relation to future planning and funding.
- Outcomes for young people; we know that disadvantaged students have been hardest hit by lost learning (and other issues) during the pandemic, which can impact on outcomes, mental health and progression.
- Loss of key staff; for example the CEO, CFO, COO or Principals. This can be mitigated by providing fair remuneration, support for staff welfare and continuing professional development.
- Disruption to IT Systems including network, student records, finance and HR/Payroll system; mitigated by ensuring core systems in locked room with limited access, cloud-based back-up systems wherever possible and IT security in place.
- Estates issues including inadequate buildings and facilities and any issues with land. These are mitigated by a planned maintenance rolling programme and accessing any ESFA capital funding where possible.

THE PINNACLE LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Through the risk management processes established for The Pinnacle Learning Trust, the Board of Trustees is satisfied that the major risks are adequately managed where necessary. It is recognised that systems and procedures can only provide reasonable but not absolute assurance that major risks have been adequately managed, including taking reasonable steps for the prevention and detection of fraud and other irregularities.

Key controls used by The Pinnacle Learning Trust include:

- formal agendas for the Board of Trustees, the Trust committees and each Local Governing Body meeting;
- detailed and comprehensive terms of reference and standing orders for the Board, Committees and Local Governing Bodies;
- comprehensive strategic planning, budgeting and management accounting;
- established organisational structure and lines of reporting;
- formal written policies, compliant with relevant laws and regulations;
- clear authorisation and approval levels;
- vetting and clearance procedures as required by law for the protection of children and young people;
- internal audit provision; and
- ICT disaster recovery policy.

Fundraising

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

Streamlined Energy and Carbon Reporting

UK Greenhouse gas emissions and energy use data for the period 1 September 2020 to 31 August 2021		1 September 2019 to 31 August 2020
Energy consumption used to calculate emissions (kWh)	6,059,959	5,481,501
Energy consumption break down (kWh)		
▪ Gas	4,344,361	3,925,683
▪ Electricity	1,712,075	1,547,094
▪ Transport fuel	3,523	8,724
<u>Scope 1 emissions in metric tonnes CO2e</u>		
Gas consumption	799.80	721.82
Owned transport – mini buses	0.20	0.28
<u>Total scope 1</u>	799.00	722.10
<u>Scope 2 emissions in metric tonnes CO2e</u>		
Purchased electricity	399.15	360.69
<u>Scope 3 emissions in metric tonnes CO2e</u>		
Business Travel in employee owned vehicles	0.69	2.03
Total gross emissions in metric tonnes CO2e	1,198.84	1,084.82
<u>Intensity ratio</u>		
Tonnes CO2e per pupil	0.31	0.28

THE PINNACLE LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Quantification and reporting methodology

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

Intensity measurement

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

Measures taken to improve energy efficiency

Due to COVID all meetings have taken place via online technology therefore limiting the requirement to travel to and between sites. We have further utilised the building management software to control the timing of energy consumption.

Plans for future periods

The priorities in place in the Trust's strategic plan for the current academic year are as follows:

Strategic Priority	
EDUCATION	
1	Mitigate the impact of the pandemic through the provision of high quality education and an outstanding curriculum offer, maximising the benefits of evidence informed practice, blended learning and promoting cultural capital for all students.
2	Re-position former Teaching School activity as the Trust professional development offer and deliver an extensive programme of evidence-informed provision across the Trust and beyond, including the development of academy leaders to provide school improvement across the phases.
PEOPLE	
3	Ensure a high priority is given to the development and well-being of all students and staff, including clarity for current and prospective staff about the benefits of working for the Trust.
4	Promote and develop excellent governance through clarity of roles and purpose, strong and effective practice, and valuing and developing Local Governing Bodies together with ensuring compliance with all statutory obligations (including safeguarding, Prevent, GDPR and Health and Safety).
PROFILE	
5	Build and maintain strong and effective strategic relationships within and beyond Oldham, to raise the profile of the Trust (internally and externally) and promote it as partner of choice for prospective joiners, professional development and our offer to students.
SUSTAINABILITY, EFFICIENCY AND GROWTH	
6	Develop and implement a carefully managed growth strategy including working with key partners, effective due diligence and support for Trust Partnerships.
7	Embed the range of cross-Trust central services, promoting consistency of offer and provision wherever possible and appropriate. Develop Trust strategies for the range of services and explore the potential for a traded services offer where appropriate.
8	Ensure strong and effective financial and risk management, with close and careful monitoring of funding, viability and compliance, including careful and thorough due diligence in respect of new opportunities.
9	Develop and implement a Trust estates strategy, through a co-ordinated approach to capital projects and planned maintenance
10	Develop a policy and set of priorities to improve all aspects of sustainability across the Trust, including practical changes to practices in relation to energy and recycling, and opportunities to improve staff and student awareness of sustainability issues

THE PINNACLE LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Employment of disabled persons

The Pinnacle Learning Trust is committed to ensuring equality of opportunity for all who learn and work within it. The Trust complies with equal opportunities legislation and reviews all policies with regard to age, disability, gender reassignment, race, religion or belief, sex, sexual orientation, marriage and civil partnership and pregnancy and maternity to ensure there is no identified adverse impact (direct or indirect) on minority groups. The Trust strives to remove any conditions which might place individuals at a disadvantage relative to others.

The Trust considers all applications for employment from disabled persons. An applicant who is disabled and satisfies all the essential criteria of the post is guaranteed an interview. Where an existing employee becomes disabled, every effort is made to ensure that their employment with the Trust continues.

The Trust is committed to provide training, staff development and opportunities for promotion for employees with disabilities, which are, as far as possible, identical to those for other employees.

We have a comprehensive series of policies in place to support managers and leaders in guiding staff through processes affecting their employment within the Trust. These policies enable us to apply consistent employment practice approaches across the organisation and are tailored to ensure that both new and existing employees are able to learn about how we operate and what staff can expect from us as well as what we expect from staff.

The Trust is committed to ensuring that any change management required is implemented sensitively and effectively to ensure minimal impact to staff and students alike. This will include engaging and communicating with staff and their representatives from the beginning of the change and providing assurances around a transparent and fair process.

Funds held as custodian trustee on behalf of others

There are no funds held as a custodian trustee on behalf of another.

Auditor

Insofar as the Trustees are aware:

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

This trustees' report, incorporating a strategic report, was approved by order of the members of the Board of Trustees on ... 14 December 2021 and signed on its behalf by:



.....
A Kilburn
Chair of Trustees

THE PINNACLE LEARNING TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2021

Scope of responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to J Clarke (Executive Principal/CEO), 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 The Pinnacle Learning Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 9 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings Attended	Out of a possible
A Kilburn	8	9
C Wilson	8	9
A Ur-Rehman	5	9
J Porter	7	9
J Clarke	9	9
D McEntee	9	9
I Howard	8	9
C Horrocks	7	9

Key changes in the composition of the board of trustees

We currently have a vacancy for a Trustee and we are working with Academy Ambassadors and our skills audit outcomes to fill this.

The coverage of its work

The role of the Board is fundamentally strategic and focuses on the six key features outlined in the Governance Handbook (October 2020), namely:

- Strategic leadership that sets and champions vision, ethos and strategy.
- Accountability that drives up educational standards and financial performance.
- People with the right skills, experience, qualities and capacity.
- Structures that reinforce clearly defined roles and responsibilities.
- Compliance with statutory and contractual requirements.
- Evaluation to monitor and improve the quality and impact of governance.

The core strategic functions of the Board (from ESFA's 'Understanding your data', Sept 2021) include:

- Ensuring clarity of vision, ethos and strategic direction for the Trust and the Academies;
- Holding executive leaders to account for the educational performance of the Academies and their students, and the effective performance management of staff; and
- Overseeing the financial performance of the Trust and the Academies and making sure that money is well spent.

THE PINNACLE LEARNING TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

The key functions of the Board are as follows, with more detail provided in the Governance Handbook:

Strategy and policy

- a) Setting the overall strategy and policy objectives of the Trust at Trust level together with setting key performance targets and agreeing any amendments to these. This is undertaken through the consideration and approval of a strategic plan proposed to the Board by the Executive Principal and informed by the individual Academy strategies (prepared by the relevant Principal and LGB).
- b) Approving any other major strategies.
- c) Annually considering the Trust's responses to its regulators (e.g. DfE, ESFA & OFSTED) requirements for regular returns as well as any investigations and reports prepared and published by such regulators.

Financial Management and Control

- a) Approving the budget and cash flow forecast.
- b) Approving long term financial forecasts
- c) Receiving and considering a regular report on the Trust's performance against key financial indicators and reviewing or agreeing any corrective action necessary.
- d) Acting in relation to any serious under-performance or any danger to the Trust's financial security.
- e) Entering into any significant risks outside delegated authority.
- f) Ensuring the Trust's assets are protected including the maintenance of adequate insurance cover.
- g) Agreeing authorised signatories for returns and submission to regulators.

Education

- k) Monitoring performance against the Trust's education performance targets and national benchmarks.
- l) Agreeing policy for new schools and academies to join the Trust.

Borrowing

- m) Agreeing any borrowing strategy and methods for raising funds.

Human Resources

- n) Recruitment, appointment and remuneration of Senior Trust level posts and Academy Principals.
- o) Setting salaries for any Trust centrally appointed posts following recommendation by the Pay & Remuneration Committee.
- p) The setting of salaries for all other posts is delegated to the relevant academy Principal, subject to compliance with the relevant nationally agreed pay scale and approval from the Executive Principal.
- q) Approving material changes in the Trust's or any individual academy's senior management staffing structure.

The Scheme of Delegation sets out further details of the matters to be determined by the Board.

The board's performance, including assessment of its own effectiveness and any particular challenges that have arisen for the board

The Board carries out a review of its work at least annually in a Board meeting and/or at the AGM, which enables Trustees to identify areas for improvement. An annual skills audit form is also completed in order to identify skills gaps that exist on the Board that need to be addressed through the recruitment process.

In addition, a self-assessment of the Trust Board has been undertaken using the Improvement Capacity Framework for Trust Governance developed by the Confederation of School Trusts, as a means of identifying the Trust's key strengths and areas for development.

During 2020-21, the main key challenge related to dealing with COVID and the impact to teaching and learning for students and staff wellbeing during this ongoing pandemic, although there has been extensive ongoing work towards the achievement of the broader strategic priorities. In addition, there was a particular challenge associated with the long term absence of a senior leader and their subsequent resignation. This required Trust Board involvement and support.

Information about the quality of the data used by the board, and why the board finds it acceptable

Working across three phases (primary, secondary and post-16) means that Trustees receive a broad range of data given the different outcomes data for all three phases. Trustees are provided with headline details, benchmarked against local and national data wherever possible, along with clarification on acronyms. Data is provided in line with national headlines and the provision of externally validated data alongside in-year data ensures Trustees can have confidence in the validity and accuracy of the information provided.

THE PINNACLE LEARNING TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Documentation cover sheets help Trustees navigate through the large amount of data and reports that they receive. The cover sheets explicitly point out activity for noting, recommendations, matters for review/approval or decision and issues that have been flagged in terms of risk management, financial compliance, consequences and links to the Trust Strategic Plan, with a clear timetable for implementation. These have been well received by Trustees and help focus discussions, support and challenge.

Governance reviews

The Board and Committees consider their performance against their Terms of Reference and have engaged some input from a former RSC, via the Confederation of School Trusts, to provide some external input and feedback on their work, Trust structures and strategic planning. Internal audits also review various aspects of governance through scrutiny of the work of committees and the Board, and there have been two recent Ofsted reviews of Werneth Primary School which have included consideration of Leadership and Management including governance and the role of the Trust. The Chair of Trust Board and Executive Principal have worked with Chairs of the local governing bodies to review the operation of the LGBs relative to the Trust Board and there is to be further work undertaken during the next academic year. The Chair of Trustees also attends Learning Sets organised by the RSC for Lancashire and West Yorkshire, to consider best practice in governance.

In terms of the more general operation of the Board and its Committees, the Finance and Resources Committee considers each of the Academies' indicative funding, notified annually by the DfE/ESFA, to assess their implications for the relevant Academy and to consider and recommend acceptance or non-acceptance of the Academies' budgets each financial year. The committee monitors and reviews expenditure on a regular basis and ensures compliance with the overall financial plan for the Academies. It keeps under review the Trust's financial management and reporting arrangements and monitors and reviews procedures for ensuring the effective implementation and operation of financial procedures on a regular basis, including the implementation of bank account arrangements.

The committee considers the financial statements which form part of the annual report of the Board to stakeholders, along with asset and property management, and HR matters including Trust HR policies. It also receives HR reports and makes recommendations to the Board.

The Audit and Risk Committee considers the internal and external audit function, including the Annual Audit Plan and receipt of all internal and external audit reports. It also reviews and recommends the adoption of the Trust Risk Management strategy along with Trust and academy level risk registers and general updates from both auditors and officers regarding key issues for consideration by the Trust. It also reviews health and safety matters, and monitors compliance with the Academies' Health and Safety report and statutory obligations under the H & S at Work Act 1974. The effectiveness of governance is tested via audit and risks related to this area form part of the Trust risk register. The Pay and Remuneration Committee oversees pay decisions and approve the Trust's pay policies, along with the performance management of executive leaders.

At the January 2021 AGM (which took place remotely), the Members and Trustees reviewed the performance of each academy, along with the Trust's external work on professional development and support during the pandemic. They also reviewed the Trust's strategy and discussed key issues for future development. Following this, Trustees reviewed and approved plans for a more centralised approach to support services across the Trust, providing more capacity at Trust level to support work towards the achievement of strategic priorities.

Attendance at Finance and Resources Committee meetings during the year was as follows:

Trustee	Meetings Attended	Out of a possible
C Wilson	4	4
C Horrocks	3	4
J Porter	3	4
J Clarke	4	4

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THE PINNACLE LEARNING TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Attendance at Audit & Risk Committee meetings during the year was as follows:

Trustee	Meetings Attended	Out of a possible
A Kilburn	3	3
A Ur-Rehman	2	3
J Clarke	3	3
D McEntee	3	3

Review of value for money

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

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

- Robust financial governance and budget management, for example developing the central finance team to oversee and complete financial control across the trust.
- Value for money purchasing including accepting best value quotes, noting that this is not necessarily the cheapest quote.
- Reviewing controls and managing risk.
- Centralising services and procurement where possible for example cleaning is a trust level contract both the catering contract and utilities to be tendered at trust level.
- Considering allocation/targeting/use of resources; the implementation of the integrated curriculum and financial planning tool to maximise the use of resources will be developed in the trust.
- Making comparisons with similar Academies using data provided by the ESFA and the Government.
- Challenging proposals and examining their effectiveness and efficiency.
- Deploying staff effectively.
- Reviewing quality of curriculum provision and quality of teaching.
- Reviewing the quality of learning to enable students/children to achieve nationally expected progress.

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 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 The Pinnacle Learning Trust for the year ended 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Trust's significant risks that has been in place for the year ended 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

THE PINNACLE LEARNING TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

The risk and control framework

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees.
- Regular reviews by the Finance and Resources 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 Board of Trustees has considered the need for a specific internal audit function and decided:

- To appoint Wylie and Bisset as internal auditor for three years from 2019/20.

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

- IT Systems
- Estates
- Parent Pay
- COVID

On a quarterly basis, the auditor reports to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

There were no material control or other issues reported by the internal auditor to date.

Review of effectiveness

As Accounting Officer, J Clarke (Executive Principal/CEO) has responsibility for reviewing the effectiveness of the system of internal control. During the year in question, the review has been informed by:

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

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Audit and Risk Committee and the Finance and Resources Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees ...14 December 2021..... and signed on its behalf by:



.....
A Kilburn
Chair of Trustees



.....
J Clarke
Accounting Officer

THE PINNACLE LEARNING TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2021

As accounting officer of The Pinnacle Learning Trust, I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

I confirm that I and the academy trust's 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 2020.

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



J Clarke
Accounting Officer

Date: ..14 December 2021.....

THE PINNACLE LEARNING TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2021

The trustees (who are also the directors of The Pinnacle Learning Trust for the purposes of company law) are responsible for preparing the trustees' report and the accounts in accordance with the Academies Accounts Direction 2020 to 2021 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare accounts for each financial year. Under company law, the trustees must not approve the accounts 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 accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- 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 accounts; and
- prepare the accounts 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 accounts 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 that 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 accounts may differ from legislation in other jurisdictions.

Approved by order of the members of the board of trustees on14 December 2021..... and signed on its behalf by:



A Kilburn
Chair of Trustees

THE PINNACLE LEARNING TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE PINNACLE LEARNING TRUST

FOR THE YEAR ENDED 31 AUGUST 2021

Opinion

We have audited the accounts of The Pinnacle Learning Trust for the year ended 31 August 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the accounts' 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 accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information, which comprises the information included in the annual report other than the accounts and our auditor's report thereon. Our opinion on the accounts 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 accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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.

THE PINNACLE LEARNING TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE PINNACLE LEARNING TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Opinions 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 incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the trustees' report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the 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 incorporated 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 accounts are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, 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 charitable company, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

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

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

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

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

THE PINNACLE LEARNING TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE PINNACLE LEARNING TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

-
- Identify and assess the risks of material misstatement of the group's or the parent charitable company's financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
 - Identify and test journal entries, in particular any journal entries posting with unusual account combinations.
 - Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation (ie. gives a true and fair view).
 - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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

Haines Watts

Candice Beynon FCCA (Senior Statutory Auditor)

for and on behalf of Haines Watts

Chartered Accountants

Statutory Auditor

Bridge House

157A Ashley Road

Hale

Altrincham WA14 2UT

Date: 14/12/21

THE PINNACLE LEARNING TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE PINNACLE LEARNING TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2021

In accordance with the terms of our engagement letter dated 21 July 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Pinnacle Learning Trust during the period 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of The Pinnacle Learning Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Pinnacle Learning Trust's funding agreement with the Secretary of State for Education dated 31 January 2019 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance, and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

THE PINNACLE LEARNING TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE PINNACLE LEARNING TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

The work undertaken to draw to our conclusion includes:

- We have confirmed that the activities conform to the academy trust's framework of authorities. As identified by review of minutes, management accounts, discussion with the accounting officer and other key management personnel.
- We have carried out an analytical review as part of the consideration of whether general activities of the academy trust are within the academy trust's framework of authorities.
- We have considered the evidence supporting the accounting officer's statement on regularity, propriety and compliance and have evaluated the general control environment of the academy trust and extended the procedures required for financial statements to include regularity.
- We have assessed and tested a sample of the specific control activities over regularity of a particular activity. In performing sample testing of expenditure, we have considered whether the activity is permissible within the academy trust's framework of authorities. We confirm that each item tested has been appropriately authorised in accordance with the academy trust's delegated authorities and that the internal delegations have been approved by the board of trustees, and conform to the limits set by the Department for Education.
- Formal representations have been obtained from the board of trustees and the accounting officer acknowledging their responsibilities including disclosing all non-compliance with laws and regulations specific to the authorising framework, access to accounting records, provision of information and explanations, and other matters where direct evidence is not available.
- In performing sample testing of expenditure, we have reviewed against specific terms of grant funding within the funding agreement. We have reviewed the list of suppliers and have considered whether supplies are from related parties and have reviewed minutes for evidence of declaration of interest, and whether or not there was involvement in the decision to order from this supplier.
- We have performed sample testing of other income and tested whether activities are permitted within the academy trust's charitable objects.

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 period 1 September 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Haines Watts

Haines Watts
Reporting Accountant

Date: 14/12/21

THE PINNACLE LEARNING TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2021 £'000	Total 2020 £'000
Income and endowments from:						
Donations and capital grants	3	3	-	1,172	1,175	1,236
Charitable activities:						
- Funding for educational operations	4	-	21,806	-	21,806	20,646
- Teaching school	28	-	174	-	174	196
Other trading activities	5	25	117	-	142	234
Investments	6	8	-	-	8	24
Total		<u>36</u>	<u>22,097</u>	<u>1,172</u>	<u>23,305</u>	<u>22,336</u>
Expenditure on:						
Raising funds	7	1	-	-	1	-
Charitable activities:						
- Educational operations	9	-	22,465	1,391	23,856	22,179
- Teaching school	28	-	69	-	69	91
Total	7	<u>1</u>	<u>22,534</u>	<u>1,391</u>	<u>23,926</u>	<u>22,270</u>
Net income/(expenditure)		35	(437)	(219)	(621)	66
Transfers between funds	18	(428)	-	428	-	-
Other recognised gains/(losses)						
Actuarial losses on defined benefit pension schemes	20	-	(2,337)	-	(2,337)	(963)
Net movement in funds		(393)	(2,774)	209	(2,958)	(897)
Reconciliation of funds						
Total funds brought forward		<u>1,940</u>	<u>(7,840)</u>	<u>30,228</u>	<u>24,328</u>	<u>25,225</u>
Total funds carried forward		<u>1,547</u>	<u>(10,614)</u>	<u>30,437</u>	<u>21,370</u>	<u>24,328</u>

THE PINNACLE LEARNING TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Comparative year information Year ended 31 August 2020	Notes	Unrestricted	Restricted funds:		Total
		funds £'000	General £'000	Fixed asset £'000	2020 £'000
Income and endowments from:					
Donations and capital grants	3	20	-	1,216	1,236
Charitable activities:					
- Funding for educational operations	4	-	20,646	-	20,646
- Teaching school	28	-	196	-	196
Other trading activities	5	28	206	-	234
Investments	6	24	-	-	24
Total		<u>72</u>	<u>21,048</u>	<u>1,216</u>	<u>22,336</u>
Expenditure on:					
Raising funds		-	-	-	-
Charitable activities:					
- Educational operations	9	-	20,767	1,412	22,179
- Teaching school	28	-	91	-	91
Total	7	<u>-</u>	<u>20,858</u>	<u>1,412</u>	<u>22,270</u>
Net income/(expenditure)		72	190	(196)	66
Transfers between funds	18	(106)	-	106	-
Other recognised gains/(losses)					
Actuarial losses on defined benefit pension schemes	20	-	(963)	-	(963)
Net movement in funds		(34)	(773)	(90)	(897)
Reconciliation of funds					
Total funds brought forward		<u>1,974</u>	<u>(7,067)</u>	<u>30,318</u>	<u>25,225</u>
Total funds carried forward		<u>1,940</u>	<u>(7,840)</u>	<u>30,228</u>	<u>24,328</u>

THE PINNACLE LEARNING TRUST

BALANCE SHEET

AS AT 31 AUGUST 2021

		2021	2020
	Notes	£'000	£'000
Fixed assets			
Tangible assets	13	29,683	29,296
Current assets			
Debtors	14	1,244	1,309
Cash at bank and in hand		6,210	5,493
		<u>7,454</u>	<u>6,802</u>
Current liabilities			
Creditors: amounts falling due within one year	15	(1,611)	(1,186)
Net current assets		<u>5,843</u>	<u>5,616</u>
Total assets less current liabilities		<u>35,526</u>	<u>34,912</u>
Creditors: amounts falling due after more than one year	16	(46)	(33)
Net assets before defined benefit pension scheme liability		<u>35,480</u>	<u>34,879</u>
Defined benefit pension scheme liability	20	(14,110)	(10,551)
Total net assets		<u>21,370</u>	<u>24,328</u>
Funds of the academy trust:			
Restricted funds	18		
- Fixed asset funds		30,437	30,228
- Restricted income funds		3,496	2,711
- Pension reserve		(14,110)	(10,551)
Total restricted funds		<u>19,823</u>	<u>22,388</u>
Unrestricted income funds	18	<u>1,547</u>	<u>1,940</u>
Total funds		<u>21,370</u>	<u>24,328</u>

The accounts were approved by the trustees and authorised for issue on ...14 December 2021..... and are signed on their behalf by:



A Kilburn
Chair of Trustees

THE PINNACLE LEARNING TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2021

		2021		2020	
	Notes	£'000	£'000	£'000	£'000
Cash flows from operating activities					
Net cash provided by operating activities	21		1,310		601
Cash flows from investing activities					
Dividends, interest and rents from investments		8		24	
Capital grants from DfE Group		744		1,216	
Purchase of tangible fixed assets		(1,350)		(566)	
Proceeds from sale of tangible fixed assets		-		2	
Net cash (used in)/provided by investing activities			(598)		676
Cash flows from financing activities					
New government loans		22		-	
Repayment of government loans		(17)		19	
Net cash provided by financing activities			5		19
Net increase in cash and cash equivalents in the reporting period			717		1,296
Cash and cash equivalents at beginning of the year			5,493		4,197
Cash and cash equivalents at end of the year			6,210		5,493

THE PINNACLE LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

The Pinnacle Learning Trust is a charitable company. The address of its principal place of business is given on page 1 and the nature of its operations are set out in the trustees' report.

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

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

1.2 Going concern

The trustees assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the accounts 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 accounts.

1.3 Income

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

Grants

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

General Annual Grant is recognised in full in the statement of financial activities in the period 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

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

Other income

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

THE PINNACLE LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

Donated goods, facilities and services

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

Donated fixed assets

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

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 are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

1.5 Tangible fixed assets and depreciation

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding that require 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.

THE PINNACLE LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

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

Land and buildings	50 years straight line
Leasehold land	125 years straight line
Furniture and equipment	5 years straight line
Plant and machinery	15 years straight line
Mechanical and electrical	20 years straight line
Computer equipment	6 years straight line
Furniture and equipment	5 years straight line
Motor vehicles	10 years

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

1.6 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 Leased assets

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

1.8 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. Prepayments are not financial instruments.

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

Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.9 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.

THE PINNACLE LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

1.10 Pensions benefits

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets are held separately from those of the academy trust.

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

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

1.11 Fund accounting

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

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

1.12 Agency accounting

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 27.

2 Critical accounting estimates and areas of judgement

Accounting 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.

THE PINNACLE LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

2 Critical accounting estimates and areas of judgement

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Total 2020 £'000
Donated fixed assets	-	428	428	-
Capital grants	-	744	744	1,216
Other donations	3	-	3	20
	<u>3</u>	<u>1,172</u>	<u>1,175</u>	<u>1,236</u>

THE PINNACLE LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

4 Funding for the academy trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Total 2020 £'000
DfE/ESFA grants				
General annual grant (GAG)	-	19,079	19,079	18,169
Other DfE/ESFA grants:				
UFSM	-	49	49	55
Pupil premium	-	546	546	586
Teachers' pay and pension grants	-	964	964	993
Others	-	200	200	174
	-	20,838	20,838	19,977
Other government grants				
Local authority grants	-	508	508	514
COVID-19 additional funding				
DfE/ESFA				
Catch-up premium	-	188	188	-
Other DfE/ESFA COVID-19 funding	-	53	53	-
	-	241	241	-
Other incoming resources	-	219	219	155
Total funding	-	21,806	21,806	20,646

Local authority grants comprise high needs funding of £425,000, Early Years Funding of £71,000 and £12,000 of other grants.

The academy received £241,000 of COVID-19 related income in the year, being £188,000 catch up premium and £53,000 of mass testing funding. £55,000 of the catch up premium remains unspent at the year end and has been carried forward to 2021-22.

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

There were no unfulfilled conditions or other contingencies in respect of government grant funding.

THE PINNACLE LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

5 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Total 2020 £'000
Hire of facilities	25	-	25	20
Catering income	-	18	18	52
School shop sales	-	8	8	8
Other income	-	91	91	154
	<u>25</u>	<u>117</u>	<u>142</u>	<u>234</u>

6 Investment income

	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Total 2020 £'000
Short term deposits	<u>8</u>	<u>-</u>	<u>8</u>	<u>24</u>

7 Expenditure

	Staff costs £'000	Non-pay expenditure		Total 2021 £'000	Total 2020 £'000
		Premises £'000	Other £'000		
Expenditure on raising funds					
- Direct costs	-	-	1	1	-
Academy's educational operations					
- Direct costs	14,643	-	1,360	16,003	14,940
- Allocated support costs	3,563	2,869	1,424	7,853	7,239
- Teaching school (note 28)	56	-	13	69	91
	<u>18,262</u>	<u>2,869</u>	<u>2,795</u>	<u>23,926</u>	<u>22,270</u>

Net income/(expenditure) for the year includes:

	2021 £'000	2020 £'000
Fees payable to auditor for:		
- Audit	13	18
- Other services	2	13
Operating lease rentals	26	19
Depreciation of tangible fixed assets	1,391	1,412
Net interest on defined benefit pension liability	<u>188</u>	<u>164</u>

THE PINNACLE LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

8 Central services

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

Include list of services, such as:

- human resources;
- financial services;
- legal services;
- educational support services; or
- others as arising.

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

- 5% of General Annual Grant

The amounts charged during the year were as follows:

	2021 £'000	2020 £'000
Oldham Sixth Form College	546	529
The Hathershaw College	304	315
Werneth Primary School	84	97
	<u>934</u>	<u>941</u>

9 Charitable activities

	2021 £'000	2020 £'000
All from restricted funds:		
Direct costs		
Educational operations	16,003	14,940
Support costs		
Educational operations	7,853	7,239
	<u>23,856</u>	<u>22,179</u>

	2021 £'000	2020 £'000
Analysis of support costs		
Support staff costs	3,577	3,252
Depreciation	1,391	1,412
Technology costs	31	194
Premises costs	1,478	1,376
Legal costs	108	202
Other support costs	1,239	776
Governance costs	29	27
	<u>7,853</u>	<u>7,239</u>

THE PINNACLE LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

10 Staff

Staff costs

Staff costs during the year were:

	2021	2020
	£'000	£'000
Wages and salaries	13,104	12,202
Social security costs	1,202	1,096
Pension costs	3,718	3,625
Staff costs - employees	18,024	16,923
Agency staff costs	223	214
Staff restructuring costs	15	28
	18,262	17,165
Staff development and other staff costs	54	44
Total staff expenditure	18,316	17,209

Staff restructuring costs comprise:

Redundancy payments	15	-
Severance payments	-	28
	15	28

Non statutory/non-contractual staff severance payments

The staff restructuring costs last year were non-statutory/non-contractual severance payments totalling £15,219 and individually were £4,195 and £11,024. There were no such costs in the year ended 31 August 2021.

Staff numbers

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

	2021	2020
	Number	Number
Teachers	206	195
Administration and support	192	183
Management	23	23
	421	401

THE PINNACLE LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

10 Staff

Higher paid staff

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

	2021 Number	2020 Number
£60,000 - £70,000	7	3
£70,001 - £80,000	3	2
£80,001 - £90,000	2	1
£90,001 - £100,000	2	2
£110,001 - £120,000	-	1
£130,001 - £140,000	1	-

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of key management personnel employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £754,009 (2020: £638,317).

11 Trustees' remuneration and expenses

One or more of the trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their services as trustees.

The value of trustees' remuneration and other benefits was as follows:

J Clarke (CEO and Executive principal - Oldham Sixth Form College)

Remuneration £130,001 - £135,000 (2020: £115,001 - £120,000)

Employers' pension contributions - £30,001 - £35,000 (2020: £25,001 - £30,000)

12 Trustees' and officers' insurance

The academy trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where the 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.

THE PINNACLE LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

13 Tangible fixed assets

	Land and buildings	Leasehold land	Furniture and equipment	Total
	£'000	£'000	£'000	£'000
Cost				
At 1 September 2020	11,823	17,490	4,428	33,741
Additions	-	929	849	1,778
At 31 August 2021	11,823	18,419	5,277	35,519
Depreciation				
At 1 September 2020	875	1,573	1,997	4,445
Charge for the year	800	-	591	1,391
At 31 August 2021	1,675	1,573	2,588	5,836
Net book value				
At 31 August 2021	10,148	16,846	2,689	29,683
At 31 August 2020	10,948	15,917	2,431	29,296

14 Debtors

	2021 £'000	2020 £'000
Trade debtors	50	88
Accrued grants and other income	883	874
VAT recoverable	203	202
Other debtors	-	1
Prepayments and accrued income	108	144
	<u>1,244</u>	<u>1,309</u>

15 Creditors: amounts falling due within one year

	2021 £'000	2020 £'000
Government loans	9	17
Trade creditors	433	233
Other taxation and social security	313	295
Other creditors	507	435
Accruals and deferred income	349	206
	<u>1,611</u>	<u>1,186</u>

THE PINNACLE LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

16 Creditors: amounts falling due after more than one year

	2021 £'000	2020 £'000
Government loans	46	33
	<u>46</u>	<u>33</u>
Analysis of loans	2021 £'000	2020 £'000
Wholly repayable within five years	55	50
Less: included in current liabilities	(9)	(17)
	<u>46</u>	<u>33</u>
Amounts included above	46	33
	<u>46</u>	<u>33</u>
Loan maturity		
Debt due in one year or less	9	17
Due in more than one year but not more than two years	10	7
Due in more than two years but not more than five years	26	20
Due in more than five years	10	6
	<u>55</u>	<u>50</u>

The government loans three Salix loans. One loan ends on 1 September 2024 and has annual repayments of £2,000 another loan ends on 1 March 2026 with an annual repayment of £5,000. The third loan of £22,000 was received during the year ended 31 August 2021 and is repayable at an annual amount of £2,800 over a period of 8 years commencing March 2022. The repayments on all three loans are made twice yearly and no interest is payable on them.

17 Deferred income

	2021 £'000	2020 £'000
Deferred income is included within:		
Creditors due within one year	229	-
	<u>229</u>	<u>-</u>
Deferred income at 1 September 2020	-	67
Released from previous years	-	(67)
Resources deferred in the year	229	-
	<u>229</u>	<u>-</u>
Deferred income at 31 August 2021	229	-

Deferred income includes £165,000 specialist equipment T-level fund funding for 2021/22, £45,000 of Edtech funding for 2021/22 and other deferred income of £19,000.

THE PINNACLE LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

18 Funds

	Balance at 1 September 2020 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2021 £'000
Restricted general funds					
General Annual Grant (GAG)	2,260	19,079	(17,843)	-	3,496
UIFSM	-	49	(49)	-	-
Pupil premium	-	546	(546)	-	-
Other DfE / ESFA grants	105	1,164	(1,269)	-	-
Other government grants	-	749	(749)	-	-
Other restricted funds	346	510	(856)	-	-
Pension reserve	(10,551)	-	(1,222)	(2,337)	(14,110)
	<u>(7,840)</u>	<u>22,097</u>	<u>(22,534)</u>	<u>(2,337)</u>	<u>(10,614)</u>
Restricted fixed asset funds					
Inherited on conversion	30,228	-	(674)	(5,948)	23,606
DfE group capital grants	-	744	(575)	5,948	6,117
Capital expenditure from GAG	-	-	(71)	428	357
Donated laptops	-	428	(71)	-	357
	<u>30,228</u>	<u>1,172</u>	<u>(1,391)</u>	<u>428</u>	<u>30,437</u>
Total restricted funds	<u>22,388</u>	<u>23,269</u>	<u>(23,925)</u>	<u>(1,909)</u>	<u>19,823</u>
Unrestricted funds					
General funds	<u>1,940</u>	<u>36</u>	<u>(1)</u>	<u>(428)</u>	<u>1,547</u>
Total funds	<u>24,328</u>	<u>23,305</u>	<u>(23,926)</u>	<u>(2,337)</u>	<u>21,370</u>

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

Restricted general funds are those resources that have been designated restricted by the grant provider in meeting the objectives of the academy trust.

Restricted fixed asset funds are those funds relating to the long term assets of the academy used in delivering the objectives of the academy trust. This fund is made up of the net book value of fixed assets plus £29,683,000 and unspent income from the Conditioning Improvement Fund of £754,000.

The transfer from inherited fixed asset funds to DfE group capital grants is to recognise the split of fixed asset funds in line with the Academies Accounts Direction.

Unrestricted funds are those funds to which the board of trustees may use in the pursuance of the academy trust's objectives and are expendable at the discretion of the trustees. There is transfer of £428,000 from this fund which was used in the purchase of tangible fixed assets.

The academy trust is not subject to GAG carried forward limits.

THE PINNACLE LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

18 Funds

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

	Balance at 1 September 2019 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2020 £'000
Restricted general funds					
General Annual Grant (GAG)	891	18,169	(16,800)	-	2,260
UIFSM	-	55	(55)	-	-
Pupil premium	-	586	(586)	-	-
Other DfE / ESFA grants	174	1,167	(1,236)	-	105
Other government grants	-	514	(514)	-	-
Other restricted funds	139	557	(350)	-	346
Pension reserve	(8,271)	-	(1,317)	(963)	(10,551)
	<u>(7,067)</u>	<u>21,048</u>	<u>(20,858)</u>	<u>(963)</u>	<u>(7,840)</u>
Restricted fixed asset funds					
Transfer on conversion	30,318	-	(90)	-	30,228
DfE group capital grants	-	1,216	(1,322)	106	-
	<u>30,318</u>	<u>1,216</u>	<u>(1,412)</u>	<u>106</u>	<u>30,228</u>
Total restricted funds	<u>23,251</u>	<u>22,264</u>	<u>(22,270)</u>	<u>(857)</u>	<u>22,388</u>
Unrestricted funds					
General funds	<u>1,974</u>	<u>72</u>	<u>-</u>	<u>(106)</u>	<u>1,940</u>
Total funds	<u>25,225</u>	<u>22,336</u>	<u>(22,270)</u>	<u>(963)</u>	<u>24,328</u>
Total funds analysis by academy					
				2021	2020
Fund balances at 31 August 2021 were allocated as follows:				£'000	£'000
Oldham Sixth Form College				3,846	3,503
The Hathershaw College				613	556
Werneth Primary School				584	555
Central services				-	37
				<u>5,043</u>	<u>4,651</u>
Total before fixed assets fund and pension reserve				5,043	4,651
Restricted fixed asset fund				30,437	30,228
Pension reserve				(14,110)	(10,551)
Total funds				<u>21,370</u>	<u>24,328</u>

THE PINNACLE LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

18 Funds

Total cost analysis by academy

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

	Teaching and educational support staff £'000	Other staff costs £'000	Educational supplies £'000	Other costs excluding depreciation £'000	Total 2021 £'000	Total 2020 £'000
Oldham Sixth Form College	7,542	1,893	147	2,089	11,671	10,060
The Hathershaw College	5,377	817	250	1,008	7,452	6,608
Werneth Primary School	1,608	291	81	459	2,439	1,952
Central services	389	370	19	196	974	755
	<u>14,916</u>	<u>3,371</u>	<u>497</u>	<u>3,752</u>	<u>22,536</u>	<u>19,375</u>

19 Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
Fund balances at 31 August 2021 are represented by:				
Tangible fixed assets	-	-	29,683	29,683
Current assets	1,547	5,153	754	7,454
Creditors falling due within one year	-	(1,611)	-	(1,611)
Creditors falling due after one year	-	(46)	-	(46)
Defined benefit pension liability	-	(14,110)	-	(14,110)
Total net assets	<u>1,547</u>	<u>(10,614)</u>	<u>30,437</u>	<u>21,370</u>

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
Fund balances at 31 August 2020 are represented by:				
Tangible fixed assets	-	-	29,296	29,296
Current assets	1,940	3,930	932	6,802
Creditors falling due within one year	-	(1,186)	-	(1,186)
Creditors falling due after one year	-	(33)	-	(33)
Defined benefit pension liability	-	(10,551)	-	(10,551)
Total net assets	<u>1,940</u>	<u>(7,840)</u>	<u>30,228</u>	<u>24,328</u>

THE PINNACLE LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

20 Pension and similar obligations

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

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

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

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to the TPS in the period amounted to £1,706,000 (2020: £1,825,000).

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

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

THE PINNACLE LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

20 Pension and similar obligations

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 20.6% for employers and 5.5% to 9.9% 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.

Total contributions made	2021	2020
	£'000	£'000
Employer's contributions	683	649
Employees' contributions	228	214
	<u> </u>	<u> </u>
Total contributions	911	863
	<u> </u>	<u> </u>

Principal actuarial assumptions	2021	2020
	%	%
Rate of increase in salaries	3.65	2.2
Rate of increase for pensions in payment/inflation	2.90	3.0
Discount rate for scheme liabilities	1.65	1.7
	<u> </u>	<u> </u>

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

	2021	2020
	Years	Years
Retiring today		
- Males	20.5	20.5
- Females	23.3	23.1
Retiring in 20 years		
- Males	21.9	22.0
- Females	25.3	25.0
	<u> </u>	<u> </u>

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

Sensitivity analysis

Oldham Sixth Form College	Approximate	Approximate
Change in assumptions at 31 August 2021	% increase to	monetary amount
	employer liability	£000
0.1% decrease in Real Discount Rate	2%	475
1 year increase in Member Life Expectancy	4%	833
0.1% increase in the Salary Increase Rate	0%	46
0.5% increase in the Pension Increase Rate (CPI)	2%	421

THE PINNACLE LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

20 Pension and similar obligations

Hathershaw College Change in assumptions at 31 August 2021

	Approximate % increase to employer liability	Approximate monetary amount £000
0.1% decrease in Real Discount Rate	3%	368
1 year increase in Member Life Expectancy	4%	568
0.1% increase in the Salary Increase Rate	0%	41
0.5% increase in the Pension Increase Rate (CPI)	2%	321

Werneth Primary School Change in assumptions at 31 August 2021

	Approximate % increase to employer liability	Approximate monetary amount £000
0.1% decrease in Real Discount Rate	2%	135
1 year increase in Member Life Expectancy	4%	226
0.1% increase in the Salary Increase Rate	0%	14
0.5% increase in the Pension Increase Rate (CPI)	2%	119

Scheme liabilities would have been affected by changes in assumptions as follows:

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

	2021 Fair value £'000	2020 Fair value £'000
Equities	18,874	14,759
Government bonds	3,988	3,473
Cash and other liquid assets	1,861	1,953
Property	1,861	1,519
Total market value of assets	26,584	21,704

The actual return on scheme assets was £4,354,000 (2020: £187,000).

Amount recognised in the statement of financial activities

	2021 £'000	2020 £'000
Current service cost	1,717	1,802
Interest income	(373)	(389)
Interest cost	561	553
Total operating charge	1,905	1,966

THE PINNACLE LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

20 Pension and similar obligations

Changes in the present value of defined benefit obligations	2021 £'000	2020 £'000
At 1 September 2020	32,255	29,377
Current service cost	1,717	1,734
Interest cost	561	553
Employee contributions	228	214
Actuarial loss	6,318	761
Benefits paid	(385)	(384)
At 31 August 2021	40,694	32,255

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

	2021 £'000	2020 £'000
At 1 September 2020	21,704	21,038
Interest income	373	389
Actuarial (gain)/loss	3,981	(202)
Employer contributions	683	649
Employee contributions	228	214
Benefits paid	(385)	(384)
At 31 August 2021	26,584	21,704

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

	2021 £'000	2020 £'000
Net (expenditure)/income for the reporting period (as per the statement of financial activities)	(621)	66
Adjusted for:		
Capital grants from DfE and other capital income	(1,172)	(1,216)
Investment income receivable	(8)	(24)
Defined benefit pension costs less contributions payable	1,034	1,153
Defined benefit pension scheme finance cost	188	164
Depreciation of tangible fixed assets	1,391	1,412
Decrease/(increase) in debtors	65	(803)
Increase/(decrease) in creditors	433	(151)
Net cash provided by operating activities	1,310	601

THE PINNACLE LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

22 Analysis of changes in net funds

	1 September 2020 £'000	Cash flows £'000	31 August 2021 £'000
Cash	5,493	717	6,210
Loans falling due within one year	(17)	8	(9)
Loans falling due after more than one year	(33)	(13)	(46)
	<u>5,443</u>	<u>712</u>	<u>6,155</u>

23 Long-term commitments, including operating leases

At 31 August 2021 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2021 £'000	2020 £'000
Amounts due within one year	31	44
Amounts due in two and five years	74	106
	<u>105</u>	<u>150</u>

24 Capital commitments

	2021 £'000	2020 £'000
Expenditure contracted for but not provided in the accounts	<u>1,014</u>	<u>1,160</u>

The Trust had two successful CIF bids in the 2021/22 funding round, a fire door replacement scheme at Werneth Primary School and at OSFC a replacement of the sports centre roof. The project cost for OSFC is £522,564 and approved funding was £440,390, for Werneth the project cost is £227,422 and approved funding £191,034. The approved funding for both projects, totalling £631,424, has been recognised in the 2020/21 accounts as a commitment.

THE PINNACLE LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

25 Related party transactions

The academy trust did not undertake any related party transactions as defined by the Charities' Statement Of Recommended Practice (SORP) 2019, the Academies Financial Handbook 2020 or the Academies Accounts Direction. The academy trust discloses the following transactions on a voluntary basis in the interests of transparency.

The Principal of The Hathershaw College is a director of West Oldham Trust. During the year The Hathershaw College supplied goods and services to West Oldham Trust amounting to £10,425 (2020: £17,992). At the balance sheet date no amounts were outstanding to The Hathershaw College.

The Executive Principal, Jayne Clarke, is also a Director of The Sixth Form Colleges' Association and during the year Oldham Sixth Form College supplied services of £nil (2020: £1,570) and The Sixth Form Colleges' Association supplied goods and services amounting to £22,911 (2020: £21,637). At the balance sheet date no amounts were outstanding.

The total expenses paid to or on behalf of the trustees during the year was £Nil (2020: £Nil).

26 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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.

27 Agency arrangements

The academy trust distributes 16-19 bursary funds and free meals funds to students as an agent for ESFA. In the year ended 31 August 2021 the academy trust received £839,149 and disbursed £747,601 from the fund. An amount of £528,548 is included within other creditors being undistributed funds that are repayable to the ESFA.

The comparatives for the year ended 31 August 2020 are £735,535 received and £883,633 disbursed with £437,000 included in other creditors.

THE PINNACLE LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

28 Teaching school

	£'000	2020/21 £'000	£'000	£'000	2019/20 £'000	£'000
Income						
Direct Income						
- Other income		174			196	
Total Income			174			196
Expenditure						
Direct Costs						
- Direct staff costs	56			50		
- Other direct costs	10			40		
Total direct costs		66			90	
Other costs						
- Support staff costs	-			-		
- Other support costs	3			1		
Total other costs		3			1	
Total expenditure			69			91
Surplus/(Deficit) from all sources			105			105
Teaching school balances at 1 September 2020			105			-
Teaching school balances at 31 August 2021			210			105