

Company Registration Number: 07348167 (England & Wales)

SUMMIT LEARNING TRUST
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022



SUMMIT LEARNING TRUST
(A Company Limited by Guarantee)

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SUMMIT LEARNING TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS

Members

D Werry
K Crowston
A Price
A Azam
K Roberts
M Mottram (appointed 14 November 2022)

Directors

Catherine Anwar (resigned 31 August 2022)
Karen Crowston, Chair
Richard Beamish
Neal Clements
Jonathan Bridges
Glen Collins
Tejal Fatania
Emma Pritchard
Caroline Hick
Alexandra Borghesi (resigned 24 September 2022)
Colin Graham (appointed 20 September 2021)
Kamran Hussain (appointed 3 May 2022)
Vince Green (appointed 1 September 2022)

Company registered number

07348167

Company name

Summit Learning Trust

Principal and registered office

Hartfield Crescent
Birmingham
B27 7QG

Chief executive officer

Catherine Anwar (resigned 31 August 2022)
Vince Green (appointed 1 September 2022)

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Senior leadership team

Catherine Anwar (until 31 August 2022)
Usha Devi
Steve Ralph
Donna Farrugia (until 31 March 2022)
Steve Smith
Costas Tzartzalis
Vince Green
Anila Patel (From 1 April 2022)

Independent auditor

Crowe U.K. LLP
Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG

Bankers

Lloyds Bank
Poplar Road
Solihull
B91 3AN

Solicitors

Irwin Mitchell
Imperial House
31 Temple Street
Birmingham
B2 5DB

SUMMIT LEARNING TRUST
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DIRECTORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

The Directors present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2021 to 31 August 2022. The Annual Report serves the purposes of both a Governors' Report, and a Directors' Report under company law.

Structure, governance and management

a. Constitution

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

The charitable company's Memorandum of Association is the primary governing document of the academy trust.

The Trustees of Summit Learning Trust are also the Directors of the charitable company for the purposes of company law.

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

b. Members' liability

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

c. Directors' indemnities

During the year, an indemnity from the Charitable Company was available to the directors against liabilities that might be incurred by them in defending proceedings against them in respect of the affairs of the Charitable Company. The indemnity is subject to the provisions of the Companies Act and is set out in the Articles of Association.

d. Method of recruitment and appointment or election of Directors

The Trust's Board of Directors has been appointed for four year terms (although this time limit does not apply to the CEO). Where a vacancy arises, through the completion of term or by the resignation of a serving director, directors will be recruited in accordance with the Articles of Association and 'A Guide to the Law for School Directors.'

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

The Trust is a member of the National Governors' Association and the Confederation of School Trusts. Through these bodies each member receives regular updates on current legislation by email as well as the NGA magazine. Additional training is provided as required based on individual or collective need. External advice and support is commissioned where necessary.

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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Structure, governance and management (continued)

f. Organisational structure

During the year the Trust terms of reference detailed a governance structure comprising the Board of Trustees with responsibility and accountability for the academies, Local Governing Bodies operating at each Academy as well as Standards, Finance and Resources, Remuneration and Audit & Risk Committees which work across the Trust.

The aim of this management structure is to distribute responsibility and accountability and to encourage involvement in decision making at all levels so that the Trust nurtures the talents of all colleagues to support continual improvement and excellence.

The Board of Trustees is responsible for setting the Trust's policies, adopting the Trust's Improvement Plan, monitoring performance against these plans and making major decisions about the direction of the Trust including its curriculum, the achievement and welfare of students, pupils and staff.

Groups of Trustees may be formally organised outside of this structure as necessary to support the Trust as required and to consider ad hoc projects to then be reported back to the Board of Trustees.

g. Pay policy for key management personnel

The aims of the Trust's pay policies are as follows:

- Maintain and improve the quality of teaching and learning at the academy;
- Support the Trust's priorities and each academy's improvement plan
- Underpin the Trust's Appraisal policy;
- Ensure that all colleagues are valued and appropriately rewarded for their work contribution to the Trust and their academy
- Ensure staff are well motivated, supported by positive recruitment and retention policies and staff development;
- Demonstrate that decisions on pay are fair and equitable and recognise the principle of equal pay for like for like work and work of equal value;
- Provide flexibility to recognise individual staff performance linked to pay decisions

Full copies of the policies (applying both to teaching and non-teaching staff can be accessed on the Trust's website at www.summitlearningtrust.org.uk).

h. Trade union facility time

The school employs no trade union officials and therefore had no time or costs spent on union activities during the year.

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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Structure, governance and management (continued)

i. Engagement with employees (including disabled persons)

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management. The Academy Trust carries out exit interviews for all colleagues leaving the organisation and has adopted a procedure of upward feedback for senior management and the Trustees.

The Academy Trust has implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equal opportunities policy
- Volunteers' policy
- Health & safety policy

In accordance with the Academy Trust's equal opportunities policy, the Academy Trust has long-established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Full details of these policies are available from the Academy Trust's offices.

Objectives and activities

a. Objects and aims

As described, the object of Summit Learning Trust is set out in the Company's Articles of Association.

The Board of Directors continues to set the Trust's strategic aims. These aims are monitored closely by the Board of Directors by way of the CEO and through the work of the Local Governing Bodies and the strategic groups.

The aims and objectives for the Summit Learning Trust are derived from the trust's mission statement which is:

Success through endeavour
Ambition through challenge
Strength through diversity

b. Objectives, strategies and activities

The objective of Summit Learning Trust is set out in the Company's Articles of Association, namely "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 schools offering a broad and balanced curriculum."

The principal activity is to operate the Trust's Academies.

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FOR THE YEAR ENDED 31 AUGUST 2022

Objectives and activities (continued)

c. Public benefit

In setting our objectives and planning our activities, the Directors have given careful consideration to the Charity Commission's general guidance on public benefit.

Summit Learning Trust oversees three secondary schools, a sixth form college and four primary schools as well as the ancillary services operated from those educational establishments.

Strategic report

Achievements and performance

a. Key performance indicators

Each establishment monitors its budget against allocations that constitute their key financial performance indicators for each financial year. These categories include employee costs, environmental costs, educational / non-educational supplies, professional services etc enabling any variations in spending against budgets to be identified and addressed. Additionally, academies benchmark costs across the Trust to ensure best value and where appropriate will aim to purchase collaboratively to achieve economies of scale. Further comparisons can be seen within the financial report where spends in the reporting year are shown against previous year's spends.

b. Going concern

After consideration of the Trust's financial position, its financial plans, (including projected learner numbers), the demand for places and the broader environment, the Board of Trustees has a reasonable expectation that the Trust has and will continue to have adequate resources to enable it to be a sustainable going concern in 2022/23 and for the foreseeable future. For this reason, the Trust continues to adopt the Going Concern principle in preparing its financial statements. Further details regarding the adoption of the Going Concern basis can be found in the statement of accounting policies.

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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Strategic report (continued)

Achievements and performance (continued)

c. Achievements and performance

The work of the Trust continues to be enhanced through our PLI (Professional Learning Institute) which oversees all of the professional learning undertaken by our colleagues across all phases. Ofsted visits, reviews and public examination outcomes confirm that our Trust is continuing to improve.

Primary

In 2022, the Year 6 outcomes highlighted the impact of our continued focus on improving the curriculum and teaching across our primary academies. Year 6 outcomes in mathematics were in line with national averages in all our academies. In reading, they were in line with national averages at Erdington Hall Primary School, The Oaklands Primary School and Pegasus Primary School. Writing outcomes were in line with national averages at Erdington Hall, Pegasus and Yarnfield Primary School. End of Year 2 teacher assessments in reading, writing and mathematics were in line with national averages at Erdington Hall, Oaklands and Yarnfield. The proportion of Year 1 learners passing the phonics screening check surpassed the national figure at Erdington Hall, Pegasus and Yarnfield.

Yarnfield Primary School was judged to be 'Good' in May 2022 for the first time in its history. Leadership and management and learners' personal development were both judged to be 'Outstanding'. Ofsted acknowledged the effective working partnership between Summit leaders, those responsible for governance and Yarnfield colleagues. Inspectors were also complimentary about the support and challenge provided by Trust leaders.

Secondary

The first set of external examinations for three years took place in Summer 2022, and all three secondary academies saw significant improvements in both attainment and progress measures from the last set of formal examinations in 2019. These outcomes at Cockshut Hill School, Lyndon School and Ninestiles an Academy continued the positive upward trajectory in academic performance across our secondary phase and this demonstrated the significantly improved teaching in these academies. Cockshut Hill School more than doubled the proportion of learners achieving strong (grade 5+) passes in GCSE English and Mathematics. Lyndon School made the greatest level of improvement in their progress scores. Ninestiles improvements were underpinned by strong levels of progress being achieved by learners with high prior attainment.

Lyndon School improved their Ofsted judgement to 'Good' in March 2022. Ofsted highlighted how Summit Learning Trust had supported the school well and that it had provided effective support and challenge to further raise expectations at the school.

Sixth Form

The first set of external examinations for three years took place in Summer 2022, and Solihull Sixth Form College saw significant improvements in attainment from the last set of formal examinations in 2019. There will be no formal progress figures this year due to no GCSE examinations being sat in Summer 2020. The improved learner outcomes reflected the significantly improved standards of teaching over recent months and years. The vast majority of learners secured places at their university of choice, well-supported by college leaders and staff teams. The college has seen a significant increase in learner numbers in the last two years, due to their increased popularity brought about by the improvements in provision, care and academic outcomes.

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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Strategic report (continued)

Achievements and performance (continued)

SCITT

Our initial teacher training team continued to develop exceptional practitioners. Our South Birmingham SCITT have moved to Stage 2 of the reaccreditation process, meaning that from 2024 onwards, we are on course to continue to train and develop teachers to work in Summit Learning Trust academies and beyond.

d. Promoting the success of the company

The Trustees have once again been actively involved this year in promoting the safety and success of the key stakeholders of the Trust, namely its learners, staff and local communities.

The Trust holds an annual Awards Ceremony where colleagues and learners from all Academies are recognised for their achievements during the previous academic year. This is well supported and attended by the Trustees. As well as this Trustees regularly interact with the Local Governing Bodies of each academy and ensure that the Board is abreast of all major developments. The Standards Committee is well attended and offers a robust challenge to the Education Directors and CEO in respect of the outcomes at each Academy and the plans in place to meet the needs of disadvantaged learners. Trustees also remain actively involved in the performance management and recruitment of senior leaders across the Trust.

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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Strategic report (continued)

Financial review

a. Summary

The Academy Trust received income into its Unrestricted Fund, Restricted General Funds and Fixed Asset Fund during 2021/22.

Restricted General Fund

The majority of the Trust's income was received through Education and Skills Funding Agency (ESFA) recurrent revenue grants into the Restricted General Fund, the use of which is restricted to the Trust's charitable activities, its educational operations. These revenue grants and the associated revenue expenditure made against them, are detailed in the SOFA. General Restricted Fund income for the year was £47,970,000; expenditure against the fund was £50,979,000, giving a deficit on restricted revenue fund of £3,009,000 before transfers.

Unrestricted Funds

Income received into the Unrestricted Fund was £1,211,000 . Expenditure against the fund was £1,079,000 for the year, giving an Unrestricted Fund surplus of £132,000 for the year.

Restricted Fixed Asset (Capital) Fund

The Restricted Fixed Asset Fund balance is reduced by an annual depreciation charge over the expected useful life of the assets concerned in line with the Trust's depreciation policy. Income received into the fund included capital grant income of £1,466,000.

Summary of Financial Performance

Total fund balance as at 31st August 2022 was £105,500,000 comprised of a surplus of £11,772,000 , a deficit of £5,154,000 and a surplus of £98,882,000 in Unrestricted, Restricted General and Restricted Fixed Asset Funds respectively.

Balance Sheet

The Trust's assets were predominantly used for providing education to learners within Summit Learning Trust. Some assets were used by the local community, predominantly for sports and performing arts but also working with local charities such as Acocks Green Lions to raise funds and support for the elderly and disadvantaged.

The net book value of the Academy's tangible fixed assets was £97,025,000 as at 31st August 2022. The movement in this account is detailed in note 14.

Cash in hand at 31st August 2022 was £7,595,000.

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b. Reserves policy

Free reserves (before pension liability) at 31 August 2022 totalled £14,297,000 (2021: £12,952,000).

The Trust's aim is to spend public monies for the direct educational benefit of current and future students as soon as is prudent whilst maintaining an adequate, but not excessive, level of reserves to:

- Maintain adequate cash to cover day to day working capital needs.
- Protect the Trust against future drops in income or rises in costs;
- Save up for future capital projects and educational initiatives;
- Fund "invest to save" projects;
- Allow the Trust to take advantage of new opportunities.
- Provide a cushion to deal with unexpected emergencies.

The Trust will aim to maintain a minimum balance of total free reserves of 8% of annual income. The Trust has not set a maximum free reserves level however any balance above 12% of annual income should be designated towards one or more of the following:

- Planned school improvement programmes
- Estates improvement or site acquisition
- Major ICT infrastructure projects

All designated reserves expenditure should be as far as possible non-recurring as recurrent costs must be met from in-year budgets. This expenditure should also look to support the Trust Strategy at that point in time.

Based on these criteria the Trust is aiming for undesignated reserves of approximately £6.5m, the current excess recognises the uncertainty around future funding in the context of the National Funding Formula alongside forthcoming increases in staffing employer costs and a three year budget plan has been compiled and will be carefully monitored to ensure cash flow and reserves remain appropriate.

A deficit of £5,154,000 has arisen on the Restricted Income Fund. This is due to the deficit of £7,679,000 on the Local Government Pension Scheme which is allocated to this fund. This liability will not crystallise immediately.

c. Investment policy

With the growth and diversity of the Trust, Trustees recognised the need for a formal Investment Policy and within the structure of the new Trust constitution, a policy was ratified by the Finance & Resources Committee. Where cash flows identify a base level of cash funds that will be surplus to requirements these may be invested following approval in accordance with the Treasury Management Procedures. In making decisions regarding where and how any surplus funds should be invested, due regard will be given to risk. The Trust currently has £14m in current investments.

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d. Principal risks and uncertainties

The Board of Trustees have compiled a comprehensive risk management process to identify and monitor the risks faced by the Trust. The principal risks they identified include governance, statutory compliance, finance, insurance, attainment, attendance, behaviour, health and safety, organisation, operations, safeguarding, reputation, HR and ICT. A risk rating mechanism is in place with greater emphasis directed towards those identified higher risk areas.

The Directors consider a significant source of financial risk to be that of the funding requirements of the Local Government Pension Scheme ("LGPS"). In order to mitigate this risk, the current and foreseeable service cost is monitored and periodic actuarial valuations are reviewed to assess the impact of external factors on the scheme liability.

Fundraising

Summit Learning Trust has during the period used the following fundraising routes:

- Request for periodic donations from parents
- Use of easy fundraising website
- Student led fundraising for specific trips and causes

None of these methods involved unreasonably intrusive or persistent methods of communication and there is no undue pressure placed on any of the individuals/companies to donate to the Trust.

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FOR THE YEAR ENDED 31 AUGUST 2022

Streamlined energy and carbon reporting

The Academy Trust's greenhouse gas emissions and energy consumption are as follows:

	2022	2021
Energy consumption used to calculate emissions (kWh)	9,849,252	12,667,765
Scope 1 emissions (in tonnes of CO2 equivalent):		
Gas consumption	1,272	1,662
Owned transport	3	1
Total scope 1	<u>1,275</u>	<u>1,663</u>
Scope 2 emissions (in tonnes of CO2 equivalent):		
Purchased electricity	<u>554</u>	<u>764</u>
Scope 3 emissions (in tonnes of CO2 equivalent):		
Business travel in employee-owned or rental vehicles	<u>1</u>	<u>2</u>
Total gross emissions (in tonnes of CO2 equivalent):	<u>1,830</u>	<u>2,429</u>
Intensity ratio:		
Tonnes of CO2 equivalent per pupil	<u>0.24</u>	<u>0.34</u>

The Academy Trust has followed and used the following quantification and reporting methodologies:

- the 2019 HM Government Environmental Reporting Guidelines;
- the GHG Reporting Protocol - Corporate Standard; and
- the 2020 UK Government's Conversion Factors for Company Reporting.

The chosen intensity ratio is total gross emissions in tonnes of CO2 equivalent per pupil, the recommended ratio for the sector.

Using Salix Funding, the Trust continued to invest in LED lighting across part of the Trust estate with the aim of reducing energy consumption by over 20%.

The Trust is looking to invest in Solar PV panels across much of the estate with the intention of reducing our demand on external utilities, to help meet net zero requirements in the future and to reduce the impact of rising fuel costs.

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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Plans for future periods

Summit Learning Trust strives to continually improve levels of attainment for all learners, equipping them with the qualifications, skills and character to follow their chosen pathway, whether it be into further and higher education or employment.

The curriculum, the quality of teaching and learning and informed interventions are consistently reviewed to help every child achieve their full potential.

The Trust believes that developing the whole child is critical to improving levels of attainment and in developing broader skills and character that will develop learners' commitment to lifelong learning and enrich their quality of life.

To this extent, the academy strives to provide exceptional behaviour and attendance management support to its learners and to offer a broad range of extra-curricular activities.

It is a significant priority of the Trust to ensure that all settings continue to be supported to make excellent progress both in Leadership and Management and Teaching and Learning. Alongside this the Trust will explore opportunities as they arise to work with, and support other organisations and promote prudent growth within the Trust.

Funds held as custodian on behalf of others

The academy trust acts as an agent in distributing bursary funds and grants from the ESFA and other government bodies. Payments received 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. In some instances, the trust can use a % of the allocation towards its own administration costs and this is recognised in the statement of financial activities.

The Sixth Form College, Solihull holds custodian funds on behalf of The Flora Forster Fund from which it makes bursary payments to students. The balance held at the year-end on behalf of the Fund was £nil.

Otherwise, neither Summit Learning Trust nor the Board of Trustees are acting as third party custodial trustees.

Employee involvement and employment of the disabled

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management. The Trust carries out exit interviews for all staff leaving the organisation and has adopted a procedure of upward feedback for senior management and the Directors.

The Trust has implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equal Opportunities Policy
- Health & safety policy
- A combined pay policy

In accordance with the Trust's Equal Opportunities Policy, the Trust has long established fair employment practices in the recruitment, selection, retention and training of disabled colleagues.

Full details of these policies are available from the Trust's offices.

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DIRECTORS' REPORT (CONTINUED)
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Disclosure of information to auditor

Insofar as the Trustees are aware:

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

Auditor

The auditors, Crowe U.K. LLP are willing to continue in office and a resolution to appoint them will be proposed at the Annual General Meeting.

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 12 December 2022 and signed on its behalf by:



Karen Crowston
Chair of Directors

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GOVERNANCE STATEMENT

Scope of responsibility

As Directors, we acknowledge we have overall responsibility for ensuring that Summit 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 Directors has delegated the day to day responsibility to the Chief Executive Officer, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Summit Learning Trust and the Secretary of State for Education. They are also responsible for reporting to the board of directors any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Directors' Report and in the Statement of Directors' Responsibilities. The board of Directors has formally met 5 times during the year.

Attendance during the year at meetings of the board of Directors was as follows:

Director	Meetings attended	Out of a possible
Catherine Anwar	5	5
Karen Crowston, Chair	5	5
Richard Beamish	5	5
Neal Clements	4	5
Jonathan Bridges	4	5
Glen Collins	3	5
Tejal Fatania	4	5
Emma Pritchard	4	5
Caroline Hick	4	5
Alexandra Borghesi	3	5
Colin Graham	5	5
Kamran Hussain	0	0
Vince Green	0	0

The Trust has a Conflicts of Interest Policy in place that is reviewed annually. The Trust adopts the definition of the Charity Commission which states that a Conflict of Interest is any situation where a Member, Trustee, Associate member or Staff member's personal interests or loyalties could, or could be seen, to prevent them from making a decision in the best interests of the Trust. Procedures are in place to manage any potential conflicts; these include early identification of conflicts of interest and where available, legal or governing document requirements on how a conflict of interest must be handled is to be used, and where possible removing the conflict of interest itself to prevent it from affecting the decision-making.

As the board of trustees have met fewer than six times a year, the academy trust described how it maintained effective oversight of funds in alternative ways. In addition to the 5 meetings, there is also a Trust Strategy Day each year where all Trustees are invited to attend and effectively acts as the 6th meeting. This is a single item agenda to look at the Strategy of the Trust for the next 3 years. Trustees are also provided with access to the monthly management accounts.

During the year, the Trust had a governance review undertaken by the Confederation of School Trusts. Whilst largely positive the review included a number of recommendations that the Trust will work through during the 2022/23 academic year and implement change where necessary:

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GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

As accounting officer, the Chief Executive Officer 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 directors where value for money can be improved, including the use of benchmarking data where appropriate.

The Strategic group (Finance and Resources) continues to apply the four principles of best value:

Challenge

Is the Trust's performance high enough? Why and how is a service provided? Do we still need it? Can it be delivered differently? What do stakeholders want?

Compare

How does the Trust's student performance and financial performance compare with all schools? How does it compare with similar schools/Trusts?

Consult

How does the Trust seek the views of stakeholders about the services the Trust provides?

Compete

How does the Trust secure efficient and effective services? Are services of appropriate quality, economic value?

The Strategic Group (Finance and Resources) approach:

The trustees and academies apply the principles of best value when making decisions about:

- the allocation of resources to best promote the aims and values of the schools and the Trust;
- the targeting of resources to best improve standards and the quality of provision; and
- the use of resources to best support the various educational needs of all students.

Trustees, and the academies, will:

- make comparisons with other/similar schools using data provided by the Government, e.g. FFT, of teaching & learning, levels of expenditure.
- challenge proposals, examining them for effectiveness, efficiency, and cost, e.g. setting of annual student achievement targets, expansion of number of form entry.
- require suppliers to compete on grounds of cost, and quality/suitability of services/products/backup
- consult individuals and organisations on quality/suitability of service we provide to parents and students, and services we receive from providers, e.g. Sex and Relationships Education, student reports, OFSTED

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GOVERNANCE STATEMENT (CONTINUED)

Review of value for money (continued)

This will apply in particular to:

- staffing
- use of premises
- use of resources
- quality of teaching
- quality of learning
- purchasing
- students' welfare
- health and safety

Trustees and school leaders:

- will not waste time and resources on investigating minor areas where few improvements can be achieved
- will not waste time and resources to make minor savings in costs
- will not waste time and resources by seeking tenders for minor supplies and services

The pursuit of minor improvements or savings is not cost effective if the administration involves substantial time or costs. Time wasted on minor improvements or savings can also distract management from more important or valuable areas.

Trustees and academies develop procedures for assessing need, and obtaining goods and services which provide "best value" in terms of suitability, efficiency, time, and cost. Measures already in place include:

- competitive tendering procedures (e.g. for goods and services above £10,000 as per delegation statement but much lower values where appropriate)
- procedures for accepting "best value" quotes, which are not necessarily the cheapest (e.g. suitability for purpose and quality of workmanship)
- procedures which minimise office time by the purchase of goods or services under £1,000 direct from known, reliable suppliers (e.g. stationery, small equipment)

During the year the Trust has maintained its procurement team to ensure that the Trust is purchasing in a manner that attracts best value supplies that are of a suitable standard to enable quality teaching and learning as well as ensuring that procurement exercises are undertaken in accordance with all relevant legislation.

Trustees and academies review the quality of the school environment and equipment, carrying out risk assessments where appropriate, in order to provide a safe working environment for students, staff and visitors.

Monitoring

These areas will be monitored for best value by:

- In house monitoring by the Principal and curriculum managers, e.g. classroom practice, work sampling
- Annual Performance Management
- Annual Budget Planning
- Analysis's of school student performance data
- Analysis of DfE student performance data
- OFSTED Inspection reports
- Trustees' termly committee meetings

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GOVERNANCE STATEMENT (CONTINUED)

Review of value for money (continued)

During the year the number of services contracted for on a Trust wide basis has been increasing. This brought the benefit of financial economies of scale plus additional resources available to the pupils, students, staff, academy trustees and directors within the Trust than under the previous standalone academy contracts. This continues to be particularly evident in areas such as Educational Psychology, CPD, HR advice, insurance, energy, supply staff and Leadership Support. The Trust has also developed an ICT strategy that will allow the benefits to be felt across the Trust both in respect of value, the services provided by our suppliers and how this manifests itself in teaching and learning outcomes.

The Trust's financial statements are available on the Trust website and are returned to the Department for Education and Companies House. The financial statements are subject to external audit which includes a Regularity Assurance Report. This assurance report covers two aspects of the use of public funds being Regularity and Propriety. Regularity derives from the concern that public money is used only for the purposes intended by Parliament and propriety is concerned with the standards of conduct, behaviour and corporate governance. No issues have been raised by the auditors in respect of external audit or regularity and propriety.

Whilst Managing Public Money prohibits payment in advance of need in the absence of HM Treasury consent, HM Treasury granted consent for such payments (with limits) where the academy trust's accounting officer is satisfied that a value for money case is made by virtue of securing continuity of supply of critical services in the medium and long term.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of academy 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 Summit Learning Trust for the year 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The board of Directors 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 directors 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 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Directors.

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 directors;
- 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;

SUMMIT LEARNING TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

The Board of Trustees has decided to employ Haines Watts Controls & Assurance as internal auditor.

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

- Review of performance reporting
- Review of budgetary controls
- Review of pupil data
- Review of estates services
- HR health check undertaken

The auditor will report to the board of directors through the audit and risk committee on the operation of the systems of control and on the discharge of the board of directors' financial responsibilities.

The Audit & Risk Committee takes the key risks from the Trusts Risk Register and maps out the controls in place to mitigate these risks. A schedule of work will then be designed to take place over the period that ensures that these controls are operating effectively. This will involve different levels of testing some of which will be via internal auditors, some via peer or trustee review and some via other appointed experts dependent on the area of testing required.

The internal auditor has delivered their schedule of work as planned, no material control issues were identified as a result of the work undertaken and remedial action is being taken towards implementing any minor recommendations from the work.

Review of effectiveness

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

- on discharge of the Board of Trustees financial decisions to help the committee consider actions and assess year on year progress
- the work of the external auditor;
- the work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework.
- the work of the internal auditor;

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

Approved by order of the members of the Board of Trustees on 12 December 2022 and signed on their behalf by:


.....
Karen Crowston
Chair of Trustees


.....
Vince Green
Accounting Officer


SUMMIT LEARNING TRUST
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Summit Learning Trust, I have considered my responsibility to notify the academy trust board of trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2021.

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academy Trust Handbook 2021.

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.



Vince Green
Accounting Officer
Date: 12 December 2022

SUMMIT LEARNING TRUST
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2022

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

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



Karen Crowston
Chair of Directors

Date: 12 December 2022

SUMMIT LEARNING TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF SUMMIT LEARNING TRUST

Opinion

We have audited the financial statements of Summit Learning Trust (the 'academy trust') for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

SUMMIT LEARNING TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF SUMMIT LEARNING TRUST (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

SUMMIT LEARNING TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF SUMMIT LEARNING TRUST (CONTINUED)

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS 102), Companies Act 2006, Academies Accounts Direction and the Academy Trust Handbook. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The key laws and regulations we considered in this context were General Data Protection Regulation, health and safety legislation, Ofsted and employee legislation.

SUMMIT LEARNING TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF SUMMIT LEARNING TRUST (CONTINUED)

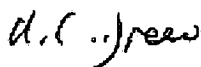
Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquire of the Trustees and other management and inspection of regulatory and legal correspondence, if any. We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Board about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the ESFA, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing noncompliance and cannot be expected to detect non-compliance with all laws and regulations.

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

Use of our report

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



Helen Drew (Senior Statutory Auditor)

for and on behalf of
Crowe U.K. LLP
Statutory Auditor
Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG

16 December 2022

SUMMIT LEARNING TRUST
(A Company Limited by Guarantee)

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

In accordance with the terms of our engagement letter dated 11 October 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Summit Learning Trust during the year 1 September 2021 to 31 August 2022 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 Summit Learning Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Summit 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 Summit Learning Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of Summit Learning Trust's funding agreement with the Secretary of State for Education dated 30 April 2013 and the Academy Trust Handbook, extant from 1 September 2021, 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 2021 to 2022. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2021 to 31 August 2022 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes a review of the design and implementation of the Academy's internal controls and review processes on regularity, supported by detailed tests on samples of costs incurred by the academy and specific transactions identified from our review.

SUMMIT LEARNING TRUST
(A Company Limited by Guarantee)

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

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Crowe U.K. LLP

Reporting Accountant
Crowe U.K. LLP

Statutory Auditor

Date: 16 December 2022

SUMMIT LEARNING TRUST
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2022**

		Unrestricted funds 2022 £000	Restricted funds 2022 £000	Restricted fixed asset funds 2022 £000	Total funds 2022 £000	Total funds 2021 £000
	Note					
Income from:						
Donations and capital grants	3	5	-	1,466	1,471	1,872
Other trading activities	4	82	155	-	237	326
Investments	5	85	-	-	85	63
Charitable activities	6	1,039	47,815	-	48,854	46,279
Total income		1,211	47,970	1,466	50,647	48,540
Expenditure on:						
Raising funds		18	61	-	79	285
Charitable activities		1,061	50,918	2,454	54,433	51,279
Total expenditure		1,079	50,979	2,454	54,512	51,564
Net income/(expenditure)		132	(3,009)	(988)	(3,865)	(3,024)
Transfers between funds	19	-	444	(444)	-	-
Net movement in funds before other recognised gains/(losses)		132	(2,565)	(1,432)	(3,865)	(3,024)
Other recognised gains/(losses):						
Actuarial gains/(losses) on defined benefit pension schemes	27	-	29,399	-	29,399	(1,399)
Net movement in funds		132	26,834	(1,432)	25,534	(4,423)

SUMMIT LEARNING TRUST
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Restricted fixed asset funds 2022 £000	Total funds 2022 £000	Total funds 2021 £000
Note					
Reconciliation of funds:					
Total funds brought forward	11,640	(31,988)	100,314	79,966	84,389
Net movement in funds	132	26,834	(1,432)	25,534	(4,423)
Total funds carried forward	11,772	(5,154)	98,882	105,500	79,966

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

The notes on pages 33 to 67 form part of these financial statements.

SUMMIT LEARNING TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07348167

BALANCE SHEET
AS AT 31 AUGUST 2022

	Note	2022 £000	2022 £000	2021 £000	2021 £000
Fixed assets					
Tangible assets	14		97,025		98,278
			<u>97,025</u>		<u>98,278</u>
Current assets					
Debtors	15	1,783		1,822	
Investments	16	14,055		13,028	
Cash at bank and in hand		7,595		3,504	
		<u>23,433</u>		<u>18,354</u>	
Creditors: amounts falling due within one year	17	(7,073)		(3,261)	
Net current assets			<u>16,360</u>		<u>15,093</u>
Total assets less current liabilities			<u>113,385</u>		<u>113,371</u>
Creditors: amounts falling due after more than one year	18		(206)		(105)
Net assets excluding pension liability			<u>113,179</u>		<u>113,266</u>
Defined benefit pension scheme liability	27		(7,679)		(33,300)
Total net assets			<u><u>105,500</u></u>		<u><u>79,966</u></u>

SUMMIT LEARNING TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07348167

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2022

	Note	2022 £000	2022 £000	2021 £000	2021 £000
Funds of the Academy Trust					
Restricted funds:					
Fixed asset funds	19	98,882		100,314	
Restricted income funds	19	2,525		1,312	
Pension reserve	19	(7,679)		(33,300)	
Total restricted funds	19		93,728		68,326
Unrestricted income funds	19		11,772		11,640
Total funds			105,500		79,966

The financial statements on pages 28 to 67 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



Karen Crowston
Chair of Trustees
Date: 12 December 2022

The notes on pages 33 to 67 form part of these financial statements.

SUMMIT LEARNING TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2022

	Note	2022 £000	2021 £000
Cash flows from operating activities			
Net cash provided by operating activities	21	4,099	1,829
Cash flows from investing activities	23	22	(2,080)
Cash flows from financing activities	22	(30)	(41)
Change in cash and cash equivalents in the year		4,091	(292)
Cash and cash equivalents at the beginning of the year		3,504	3,796
Cash and cash equivalents at the end of the year	24, 25	<u>7,595</u>	<u>3,504</u>

The notes on pages 33 to 67 form part of these financial statements

SUMMIT LEARNING TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Company status

The academy trust is a company limited by guarantee. The academy trust is incorporated in England & Wales, registered number 07348167. The registered office is Hartfield Crescent, Birmingham, B27 7QG. The members of the company are named on page 1. In the event of the academy trust being wound up, the liability in respect of the guarantee is limited to £10 per member of the academy trust.

1.3 Going concern

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

1.4 Fund accounting

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

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

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.

Where the academy purchases capital items from the General Annual Grant (GAG) during the period, this is represented by a transfer from the restricted general fund to the restricted fixed asset fund.

SUMMIT LEARNING TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies (continued)

1.5 Income

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

- **Grants**

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

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

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

- **Donations**

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

- **Other income**

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

1.6 Expenditure

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

- **Expenditure on raising funds**

This includes all expenditure incurred by the 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.

SUMMIT LEARNING TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies (continued)

1.7 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 Part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.8 Tangible fixed assets

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

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

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

Depreciation is provided on the following bases:

Long leasehold buildings	- 50 years
Freehold Property	- 50 years
Freehold major refurbishments	- 10 years
Fixtures, fittings and equipment	- 10 years
Plant and machinery	- 4 years - 10 years
Computer equipment	- 3 years - 4 years

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

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

1.9 Debtors

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies (continued)

1.10 Cash at bank and in hand

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

1.11 Liabilities

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

1.12 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 17 and 18. 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.

SUMMIT LEARNING TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies (continued)

1.13 Pensions

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

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

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

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

1.14 Operating leases

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

1.15 Agency arrangements

The academy trust acts as an agent in distributing funds and grants from the ESFA and other government bodies. Payments received 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. In some instances, the trust can use a % 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 31.

SUMMIT LEARNING TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

The Academy Trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a 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 27, 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 2022. 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.

The asset values are reported using estimated asset allocations prepared by the Scheme Actuary. The asset value is calculated at each triennial valuation. Thereafter it is rolled to accounting dates using investment returns, contributions received and benefits paid out. During each annual reporting period between triennial valuations, asset returns are estimated using 11 months of market experience and one month of extrapolation being assumed.

The Trustees have exercised judgement in estimating the expected useful life of the School's leasehold buildings and other fixed assets. These estimates are then used to calculate the depreciation cost of the assets.

Critical areas of judgment:

There are no critical judgements which would materially impact the financial statements.

SUMMIT LEARNING TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

3. Income from donations and capital grants

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Restricted fixed asset funds 2022 £000	Total funds 2022 £000
Donations	5	-	-	5
Government grants	-	-	1,466	1,466
	<u>5</u>	<u>-</u>	<u>1,466</u>	<u>1,471</u>

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Restricted fixed asset funds 2021 £000	Total funds 2021 £000
Donations	6	421	-	427
Government grants	-	-	1,445	1,445
	<u>6</u>	<u>421</u>	<u>1,445</u>	<u>1,872</u>

4. Income from other trading activities

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Total funds 2022 £000
Lettings income	29	-	29
Other income	53	155	208
	<u>82</u>	<u>155</u>	<u>237</u>

SUMMIT LEARNING TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

4. Income from other trading activities (continued)

	<i>Unrestricted funds 2021 £000</i>	<i>Restricted funds 2021 £000</i>	<i>Total funds 2021 £000</i>
Lettings income	66	-	66
Other income	114	146	260
	<u>180</u>	<u>146</u>	<u>326</u>

5. Investment income

	<i>Unrestricted funds 2022 £000</i>	<i>Total funds 2022 £000</i>
Investment income	85	85

	<i>Unrestricted funds 2021 £000</i>	<i>Total funds 2021 £000</i>
Investment income	63	63

SUMMIT LEARNING TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

6. Income from charitable activities

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Total funds 2022 £000
Funding for educational operations (note 7)	297	47,716	48,013
Catering income	742	-	742
Trip income	-	99	99
	<u>1,039</u>	<u>47,815</u>	<u>48,854</u>

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Total funds 2021 £000
Funding for educational operations (note 7)	-	45,892	45,892
Catering income	382	-	382
Trip income	-	5	5
	<u>382</u>	<u>45,897</u>	<u>46,279</u>

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NOTES TO THE FINANCIAL STATEMENTS
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7. Funding for the academy educational operations

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Total funds 2022 £000
DfE/ESFA grants			
General Annual Grant (GAG)	-	42,173	42,173
Other DfE/ESFA grants			
Teachers' pension grant	-	1,249	1,249
Pupil Premium	-	2,755	2,755
UIFSM	-	126	126
Others	278	514	792
	<u>278</u>	<u>46,817</u>	<u>47,095</u>
Other Government grants			
Local Authority grants	-	772	772
	<u>-</u>	<u>772</u>	<u>772</u>
Other income from the academy trust's educational operations	19	51	70
COVID-19 additional funding (DfE/ESFA)			
Coronavirus Exceptional Support	-	76	76
	<u>-</u>	<u>76</u>	<u>76</u>
	<u>297</u>	<u>47,716</u>	<u>48,013</u>

SUMMIT LEARNING TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

7. Funding for the academy educational operations (continued)

	<i>Restricted funds 2021 £000</i>	<i>Total funds 2021 £000</i>
DfE/ESFA grants		
General Annual Grant (GAG)	39,086	39,086
Other DfE/ESFA grants		
Pupil Premium	2,765	2,765
Teachers' pay grant	466	466
Teachers' pension grant	1,342	1,342
UIFSM	122	122
Others	310	310
Other DfE Group grants	189	189
	<u>44,280</u>	<u>44,280</u>
Other Government grants		
Local Authority Grants	905	905
	<u>905</u>	<u>905</u>
COVID-19 additional funding (DfE/ESFA)		
Catch-up Premium	417	417
Other DfE/ESFA COVID-19 funding	130	130
	<u>547</u>	<u>547</u>
COVID-19 additional funding (non-DfE/ESFA)		
Other COVID-19 funding	160	160
	<u>160</u>	<u>160</u>
	<u><u>45,892</u></u>	<u><u>45,892</u></u>

SUMMIT LEARNING TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

8. Expenditure

	Staff Costs 2022 £000	Premises 2022 £000	Other 2022 £000	Total 2022 £000
Expenditure on fundraising trading	-	-	79	79
Funding for the Academy's educational operations:				
Direct costs	27,937	2,454	4,568	34,959
Allocated support costs	9,864	5,694	3,916	19,474
	<u>37,801</u>	<u>8,148</u>	<u>8,563</u>	<u>54,512</u>
	Staff Costs 2021 £000	Premises 2021 £000	Other 2021 £000	Total 2021 £000
Expenditure on fundraising trading	118	-	167	285
Funding for the Academy's educational operations:				
Direct costs	28,712	2,411	2,520	33,643
Allocated support costs	9,991	4,824	2,821	17,636
	<u>38,821</u>	<u>7,235</u>	<u>5,508</u>	<u>51,564</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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9. Analysis of expenditure by activities

	Activities undertaken directly 2022 £000	Support costs 2022 £000	Total funds 2022 £000
Provision of education	34,959	19,474	54,433
	<u>34,959</u>	<u>19,474</u>	<u>54,433</u>

	Activities undertaken directly 2021 £000	Support costs 2021 £000	Total funds 2021 £000
Provision of education	33,643	17,636	51,279
	<u>33,643</u>	<u>17,636</u>	<u>51,279</u>

Analysis of support costs

	Total funds 2022 £000	Total funds 2021 £000
Staff costs	9,864	9,991
Technology costs	772	531
Premises costs (including PFI charge)	5,694	4,824
Other support costs	2,915	2,126
Auditor's remuneration	30	27
Other audit costs	5	11
Professional fees	129	95
Legal fees	65	31
	<u>19,474</u>	<u>17,636</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2022	2021
	£000	£000
Depreciation of tangible fixed assets	2,453	2,412
Loss on disposal of fixed assets	2	135
Operating lease rentals - PFI charges	1,538	1,450
Operating lease rentals - other	191	99
Fees payable to the auditor for:		
- audit	30	27
- other services	5	11
	=====	=====

SUMMIT LEARNING TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

11. Staff

a. Staff costs

Staff costs during the year were as follows:

	2022 £000	2021 £000
Wages and salaries	23,870	26,274
Social security costs	2,659	2,722
Pension costs	9,191	8,815
	<u>35,720</u>	<u>37,811</u>
Agency staff costs	1,992	892
Staff restructuring costs	89	118
	<u><u>37,801</u></u>	<u><u>38,821</u></u>

Staff restructuring costs comprise:

	2022 £000	2021 £000
Severance payments	89	118
	<u><u>89</u></u>	<u><u>118</u></u>

b. Special staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £60,834 (2021: £107,368), and contractual payments of £28,293 (2021: £10,785). Individually the payments were £3,355, £2,448, £901, £1,750, £1,998, £5,000, £19,727, £938, £10,759, £12,571, £24,765, and £4,915.

SUMMIT LEARNING TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

11. Staff (continued)

c. Staff numbers

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

	2022 No.	2021 No.
Teachers	399	407
Administration and support	440	433
Management	44	56
	<u>883</u>	<u>896</u>

d. Higher paid staff

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

	2022 No.	2021 No.
In the band £60,001 - £70,000	12	15
In the band £70,001 - £80,000	10	10
In the band £80,001 - £90,000	3	-
In the band £90,001 - £100,000	1	2
In the band £100,001 - £110,000	3	2
In the band £110,001 - £120,000	2	1
In the band £140,000 - £150,000	1	1
	<u>1</u>	<u>1</u>

e. Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £831,541 (2021: £820,669).

SUMMIT LEARNING TRUST
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NOTES TO THE FINANCIAL STATEMENTS
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12. Central services

The Trust adopts a policy of pooled income and reserves. As a result, central services were no longer charged separately to the academies.

Amongst other things the Trust has provided the following central and operational services to its academies during the year:

- Business planning and strategy
- Educational improvement support
- Governance and legal support
- Marketing support
- Human Resources
- Professional Learning Institute
- ICT support
- Estates management
- Procurement
- Finance

13. Trustees' remuneration and expenses

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

		2022	2021
		£000	£000
Catherine Anwar	Remuneration	145 - 150	145 - 150
	Pension contributions paid	0 - 5	30 - 35

During the year ended 31 August 2022, travel expenses totalling £1,068 were reimbursed or paid directly to 2 Trustees (2021 - £79 to 1 Trustee).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

14. Tangible fixed assets

	Freehold property £000	Long-term leasehold property £000	Furniture and equipment £000	Computer equipment £000	Motor vehicles £000	Total £000
Cost or valuation						
At 1 September 2021	54,077	55,431	1,822	3,680	97	115,107
Additions	73	9	257	863	-	1,202
Disposals	-	-	-	(82)	-	(82)
At 31 August 2022	54,150	55,440	2,079	4,461	97	116,227
Depreciation						
At 1 September 2021	2,959	9,644	1,118	3,017	91	16,829
Charge for the year	689	1,136	133	490	6	2,454
On disposals	-	-	-	(80)	-	(80)
At 31 August 2022	3,648	10,780	1,251	3,427	97	19,203
Net book value						
At 31 August 2022	50,502	44,660	828	1,034	-	97,024
At 31 August 2021	51,118	45,787	704	663	6	98,278

Included in freehold land and buildings is land valued at £19,664,000 (2021: £19,664,000) which is not depreciated.

The Academy Trust took 125 year leases over the academies' land and buildings at the dates of conversion of the academies. The leasehold properties are owned by Birmingham City Council and Solihull Metropolitan Borough Council.

In 2016 the Trust granted a leasehold on land and buildings which will generate yearly rental income of £8,500, and in 2022, a similar leasehold was granted that will generate an additional annual rental income of £37,000.

SUMMIT LEARNING TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
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15. Debtors

	2022 £000	2021 £000
Due within one year		
Trade debtors	69	69
Other debtors	888	747
Prepayments and accrued income	826	1,006
	<u>1,783</u>	<u>1,822</u>

16. Current asset investments

	2022 £000	2021 £000
Cash at banks and building societies	<u>14,055</u>	<u>13,028</u>

17. Creditors: Amounts falling due within one year

	2022 £000	2021 £000
Other loans	49	30
Trade creditors	2,978	1,201
Other taxation and social security	647	652
Other creditors	631	200
Accruals and deferred income	2,768	1,178
	<u>7,073</u>	<u>3,261</u>

	2022 £000	2021 £000
Deferred income at 1 September 2021	239	182
Resources deferred during the year	741	239
Amounts released from previous periods	(239)	(182)
Deferred income at 31 August 2021	<u>741</u>	<u>239</u>

Deferred income relates to free school meals funding and other income received in advance of the next academic year.

SUMMIT LEARNING TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
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18. Creditors: Amounts falling due after more than one year

	2022	2021
	£000	£000
Other loans	206	105

A Salix Loan was entered into under the Energy Efficiency Loans Programme to support an energy saving LED lighting upgrade at Lyndon School in 2021. The loan is repayable over 5 years in 10 half-yearly instalments at 0% interest. The repayments are made through a reduction in monthly GAG payments.

A second Salix Loan was entered into under the Energy Efficiency Programme to support an energy saving LED lighting upgrade at Ninestiles in 2022. The loan is repayable over 8 years in 16 half-yearly instalments at 0% interest. The repayments are made through a reduction in monthly GAG payments.

Included within the above are amounts falling due as follows:

	2022	2021
	£000	£000
Between one and two years		
Other loans	49	30
Between two and five years		
Other loans	101	75
Greater than 5 years		
Other loans	56	-

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

19. Statement of funds

	Balance at 1 September 2021 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2022 £000
Unrestricted funds						
General Funds	11,640	1,211	(1,079)	-	-	11,772
Restricted general funds						
General Annual Grant (GAG)	1,223	42,173	(41,358)	444	-	2,482
Other DfE/ESFA grants	-	1,763	(1,763)	-	-	-
Pupil Premium	-	2,755	(2,755)	-	-	-
UIFSM	-	126	(126)	-	-	-
Local Authority Grants	-	772	(772)	-	-	-
Other income	-	305	(305)	-	-	-
Catch-up premium	60	-	(44)	-	-	16
Other DfE Covid grants	-	76	(76)	-	-	-
Endowment funds	29	-	(2)	-	-	27
Pension reserve	(33,300)	-	(3,778)	-	29,399	(7,679)
	(31,988)	47,970	(50,979)	444	29,399	(5,154)

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**NOTES TO THE FINANCIAL STATEMENTS
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19. Statement of funds (continued)

	Balance at 1 September 2021 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2022 £000
Restricted fixed asset funds						
DfE/ESFA capital grants	2,036	1,466	-	(1,645)	-	1,857
Fixed Asset Fund	98,278	-	(2,454)	1,201	-	97,025
	<u>100,314</u>	<u>1,466</u>	<u>(2,454)</u>	<u>(444)</u>	<u>-</u>	<u>98,882</u>
Total Restricted funds	<u>68,326</u>	<u>49,436</u>	<u>(53,433)</u>	<u>-</u>	<u>29,399</u>	<u>93,728</u>
Total funds	<u>79,966</u>	<u>50,647</u>	<u>(54,512)</u>	<u>-</u>	<u>29,399</u>	<u>105,500</u>

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

The government capital funds are provided by the government for specific capital projects.

The restricted income fund is subject to specific expenditure within the charitable company's declared objectives. DfE grants relate to government funding for the provision of education by the charitable company. Funding is repayable if the charitable company does not meet all funding requirements.

Local authority grants relate to local authority funding for the provision of education by the charitable company.

Within restricted funds are endowment funds transferred from The Sixth Form College, Solihull related to three specific funds:

Heartfield/Wharam Memorial Fund

A fund donated to support the furthering of musical education and training. The balance on this fund at the year end was £7,063.

Roger Coombs memorial fund

Award provided as grants to students of Modern Foreign Languages to enable them to visit Russia or a French-speaking country. The balance on this fund at the year end was £5,487.

Terry Kitson memorial fund

Awards provided as a bursary to reward and facilitate students involved in voluntary work within the wider community in the UK or overseas. The balance on this fund at the year end was £14,381.

Transfers from the restricted fixed asset fund represent expenditure incurred during the year on repairs and maintenance projects funded by capital grants accorded for this purpose.

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**NOTES TO THE FINANCIAL STATEMENTS
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19. Statement of funds (continued)

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

	<i>Balance at 1 September 2020 £000</i>	<i>Income £000</i>	<i>Expenditure £000</i>	<i>Transfers in/out £000</i>	<i>Gains/ (Losses) £000</i>	<i>Balance at 31 August 2021 £000</i>
Unrestricted funds						
General Funds	11,487	566	(413)	-	-	11,640
SCITT	-	65	(65)	-	-	-
Restricted general funds						
General Annual Grant (GAG)	-	39,086	(38,239)	376	-	1,223
Pupil Premium	-	2,765	(2,765)	-	-	-
Teachers pay grant	-	466	(466)	-	-	-
Teachers pension grant	-	1,342	(1,342)	-	-	-
UIFSM	-	122	(122)	-	-	-
Other DfE Grants	-	310	(310)	-	-	-
Local Authority Grants	-	905	(905)	-	-	-
Other income	-	151	(151)	-	-	-
Catch-up premium	-	417	(357)	-	-	60
Other DfE Covid grants	-	130	(130)	-	-	-
Other non-DfE Covid grants	-	160	(160)	-	-	-
Donations/ Capital grants	-	421	(421)	-	-	-
SCITT	-	189	(189)	-	-	-
Endowment funds	29	-	-	-	-	29
Pension reserve	(28,783)	-	(3,118)	-	(1,399)	(33,300)
	<u>(28,754)</u>	<u>46,464</u>	<u>(48,675)</u>	<u>376</u>	<u>(1,399)</u>	<u>(31,988)</u>

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19. Statement of funds (continued)

	<i>Balance at 1 September 2020 £000</i>	<i>Income £000</i>	<i>Expenditure £000</i>	<i>Transfers in/out £000</i>	<i>Gains/ (Losses) £000</i>	<i>Balance at 31 August 2021 £000</i>
Restricted fixed asset funds						
DfE/ESFA capital grants	1,670	1,445	-	(1,079)	-	2,036
Fixed Asset Fund	99,986	-	(2,411)	703	-	98,278
Total Restricted funds	72,902	47,909	(51,086)	-	(1,399)	68,326
Total funds	84,389	48,540	(51,564)	-	(1,399)	79,966

Total funds analysis by academy

Fund balances at 31 August 2022 were allocated as follows:

	2022 £000	2021 £000
Trust	14,297	12,952
Restricted fixed asset fund	98,882	100,314
Pension reserve	(7,679)	(33,300)
Total	105,500	79,966

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NOTES TO THE FINANCIAL STATEMENTS
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19. Statement of funds (continued)

Total cost analysis by academy

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2022 £000
Ninestiles School	5,590	1,381	1,274	825	9,070
Erdington Hall Primary School	986	96	302	343	1,727
The Oaklands Primary School	1,410	195	315	270	2,190
Pegasus Primary School	709	88	200	193	1,190
Yarnfield Primary School	2,224	168	353	513	3,258
Lyndon School	4,654	467	498	1,007	6,626
Solihull Sixth Form College	6,412	700	1,042	1,455	9,609
Cockshut Hill School	4,228	750	604	1,920	7,502
Trust	1,729	6,018	82	3,057	10,886
Academy Trust	27,942	9,863	4,670	9,583	52,058

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

19. Statement of funds (continued)

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

	<i>Teaching and educational support staff costs £000</i>	<i>Other support staff costs £000</i>	<i>Educational supplies £000</i>	<i>Other costs excluding depreciation £000</i>	<i>Total 2021 £000</i>
Ninestiles School	6,474	1,518	550	1,086	9,628
Erdington Hall Primary School	1,154	144	112	321	1,731
The Oaklands Primary School	1,638	231	131	242	2,242
Pegasus Primary School	679	182	76	197	1,134
Yarnfield Primary School	2,181	260	93	455	2,989
Lyndon School	4,213	898	304	1,039	6,454
Solihull Sixth Form College	6,269	791	423	1,304	8,787
Cockshut Hill School	4,393	1,107	336	1,864	7,700
Trust	1,710	4,978	493	1,307	8,488
Academy Trust	28,711	10,109	2,518	7,815	49,153

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**NOTES TO THE FINANCIAL STATEMENTS
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20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Restricted fixed asset funds 2022 £000	Total funds 2022 £000
Tangible fixed assets	-	-	97,025	97,025
Current assets	11,772	9,804	1,857	23,433
Creditors due within one year	-	(7,073)	-	(7,073)
Creditors due in more than one year	-	(206)	-	(206)
Provisions for liabilities and charges	-	(7,679)	-	(7,679)
Total	11,772	(5,154)	98,882	105,500

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Restricted fixed asset funds 2021 £000	Total funds 2021 £000
Tangible fixed assets	-	-	98,278	98,278
Current assets	11,643	4,675	2,036	18,354
Creditors due within one year	(3)	(3,258)	-	(3,261)
Creditors due in more than one year	-	(105)	-	(105)
Provisions for liabilities and charges	-	(33,300)	-	(33,300)
Total	11,640	(31,988)	100,314	79,966

SUMMIT LEARNING TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

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

	2022 £000	2021 £000
Net expenditure for the year (as per Statement of Financial Activities)	(3,865)	(3,024)
Adjustments for:		
Depreciation	2,454	2,410
Capital grants from DfE and other capital income	(1,466)	(1,445)
Interest from investments	(85)	(64)
Defined benefit pension scheme cost less contributions payable	3,202	2,660
Defined benefit pension scheme finance cost	576	453
Decrease in debtors	38	225
Increase in creditors	3,243	474
Disposal of fixed assets	2	140
Net cash provided by operating activities	4,099	1,829

22. Cash flows from financing activities

	2022 £000	2021 £000
Repayments of borrowing	(30)	(41)
Net cash used in financing activities	(30)	(41)

23. Cash flows from investing activities

	2022 £000	2021 £000
Interest from investments	85	65
Proceeds from the sale of fixed assets	-	5
Purchase of tangible fixed assets	(502)	(579)
Purchase of investments	(13,555)	(13,028)
Proceeds from the sale of investments	12,528	10,012
Capital grants from DfE Group	1,466	1,445
Net cash provided by/(used in) investing activities	22	(2,080)

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

24. Analysis of cash and cash equivalents

	2022	2021
	£000	£000
Cash in hand and at bank	7,595	3,504
Total cash and cash equivalents	7,595	3,504

25. Analysis of changes in net debt

	At 1 September 2021 £000	Cash flows £000	Other non- cash changes £000	At 31 August 2022 £000
Cash at bank and in hand	3,504	4,091	-	7,595
Debt due within 1 year	(30)	(19)	1	(48)
Debt due after 1 year	(105)	(101)	-	(206)
Liquid investments	13,028	1,027	-	14,055
	16,397	4,998	1	21,396

26. Capital commitments

	2022	2021
	£000	£000
Contracted for but not provided in these financial statements		
Re-wiring project	1,535	-

SUMMIT LEARNING TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

27. Pension commitments

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

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

Contributions amounting to £428,813 were payable to the schemes at 31 August 2022 (2021 - £NIL) and are included within creditors.

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

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NOTES TO THE FINANCIAL STATEMENTS
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27. Pension commitments (continued)

The employer's pension costs paid to TPS in the year amounted to £3,673,717 (2021 - £3,934,000).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £2,203,205 (2021 - £2,246,000), of which employer's contributions totalled £1,684,972 (2021 - £1,755,000) and employees' contributions totalled £ 518,633 (2021 - £491,000). The agreed contribution rates for future years are 21 per cent for employers and a range based on salary level percentages for employees.

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

Principal actuarial assumptions

	2022	2021
	%	%
Rate of increase in salaries	4.05	3.90
Rate of increase for pensions in payment/inflation	3.05	2.90
Discount rate for scheme liabilities	4.25	1.65
Inflation assumption (CPI)	3.05	2.90

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

	2022	2021
	Years	Years
<i>Retiring today</i>		
Males	21.2	21.6
Females	23.6	24
<i>Retiring in 20 years</i>		
Males	22.9	23.4
Females	25.4	25.8

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**NOTES TO THE FINANCIAL STATEMENTS
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27. Pension commitments (continued)

Sensitivity analysis

	2022 £000	2021 £000
Discount rate +0.1%	46,084	70,587
Discount rate -0.1%	47,714	73,950
Mortality assumption - 1 year increase	48,764	75,506
Mortality assumption - 1 year decrease	45,012	69,133

Share of scheme assets

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

	At 31 August 2022 £000	At 31 August 2021 £000
Equities	26,270	23,726
Gilts	-	3,218
Corporate bonds	8,234	2,384
Property	3,137	2,736
Cash and other liquid assets	1,568	1,434
Other	-	5,450
Total market value of assets	39,209	38,948

The actual return on scheme assets was £-1,208,000 (2021 - £5,457,000).

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

	2022 £000	2021 £000
Current service cost	(4,921)	4,426
Net interest expense	576	453
Administrative expenses	-	4
Total amount recognised in the Statement of Financial Activities	(4,345)	4,883

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NOTES TO THE FINANCIAL STATEMENTS
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27. Pension commitments (continued)

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

	2022 £000	2021 £000
At 1 September	72,248	60,149
Current service cost	4,909	4,095
Interest cost	1,230	976
Employee contributions	509	493
Actuarial (gains)/losses	(31,261)	6,333
Benefits paid	(759)	(477)
Past service costs	12	109
Liabilities assumed / (extinguished) on settlements	-	570
At 31 August	46,888	72,248

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

	2022 £000	2021 £000
At 1 September	38,948	31,366
Interest income	654	523
Actuarial (losses)/gains	(1,862)	4,934
Employer contributions	1,719	1,765
Employee contributions	509	493
Benefits paid	(759)	(477)
Settlement prices received / (paid)	-	348
Administrative expenses	-	(4)
At 31 August	39,209	38,948

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28. Operating lease commitments

At 31 August 2022 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022	2021
	£000	£000
Amounts payable:		
Not later than 1 year	1,724	1,581
Later than 1 year and not later than 5 years	6,099	6,402
Later than 5 years	12,174	8,364

The Charitable Company is committed to funding payments under the PFI scheme for Yarnfield Primary School and Cockshut Hill School. Separate funding is received from the ESFA towards these costs for Cockshut Hill, with approximately 75% of the total cost being met under this agreement.

29. Related party transactions

Owing to the nature of the Academy Trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academy Trust Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Academy Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

30. Trustees' and Officers' insurance

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

31. Members' liability

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

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NOTES TO THE FINANCIAL STATEMENTS
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32. Agency arrangements

The academy distributes bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2022, the trust received £366,251 (2021: £326,188) and disbursed £246,153 (2021: £296,642) from the fund. As a result, an amount of £149,644 (2021: £29,546) is included in other creditors relating to undistributed funds.

The academy distributes grants to students as an agent for the NCTL. In the accounting period ending 31 August 2022 the trust received £173,800 (2021: £356,000) and disbursed £150,800 (2021: £332,600) from the fund, the trust repaid amounts of £23,400 (2021: £13,000). As a result, an amount of £23,000 (2021: £23,400) is included in other creditors relating to undistributed funds.

The academy distributes bursaries to students as a custodian of funds for the Flora Forster Investment Fund. In the accounting period ending 31 August 2022, the trust received £nil (2021: £nil) and disbursed £nil (2021: £17,750) from the fund. As a result, an amount of £502 (2021: £502) is included in deferred income relating to undistributed funds.