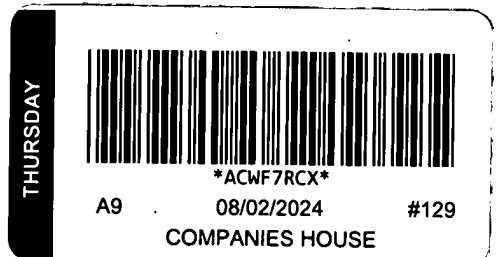


Company registration number 07687135 (England and Wales)

**THE PINNACLE LEARNING TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**



# THE PINNACLE LEARNING TRUST

## CONTENTS

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	Page
Reference and administrative details	1
Trustees' report	2 - 28
Governance statement	29 - 36
Statement on regularity, propriety and compliance	37
Statement of trustees' responsibilities	38
Independent auditor's report on the accounts	39 - 41
Independent reporting accountant's report on regularity	42 - 43
Statement of financial activities including income and expenditure account	44 - 45
Balance sheet	46
Statement of cash flows	47
Notes to the accounts including accounting policies	48 - 71

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# THE PINNACLE LEARNING TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

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<b>Members</b>	Baroness Estelle Morris Prof. Miles Hewstone Andrew Kilburn Kevin Sinfield OBE Dr. Sanna Waseem-Khawaja	
<b>Trustees</b>	Andrew Kilburn (Chair) Ateeque Ur-Rehman (Vice-Chair) Jayne Clarke Irene Howard Dave McEntee Rebekah Sutcliffe Chris Wilson Michael Pitt (appointed 16 May 2023) Prof. Christine Horrocks (resigned 17 August 2023) Daniel Brown (resigned 18 September 2023)	
<b>Trust Executive Team</b>	Jayne Clarke Suzannah Reeves Mark Giles Jonathan Bell Elizabeth Moran  Stewart Ash Pamela McIlroy Louise Astbury Danielle Hunt	Executive Principal/CEO and Accounting Officer Associate Principal – Oldham Sixth Form College Principal – The Hathershaw College Principal – Werneth Primary School Principal – Broadfield Primary School (appointed 1 April 2023) Chief Financial Officer Chief Operating Officer Trust Professional Development Director Lead Governance Professional and Company Secretary
<b>Principal and Registered Office</b>	Oldham Sixth Form College, Union Street West, Oldham, OL8 1XU (the Registered Office changed on 3 April 2023)	
<b>Academies Operated</b>	<b>Location</b>	<b>Principal</b>
Oldham Sixth Form College	Oldham, OL8 1XU	S Reeves
The Hathershaw College	Oldham, OL8 3EP	M Giles
Werneth Primary School	Oldham, OL8 4BL	J Bell
Broadfield Primary School	Oldham, OL8 1LH	E Moran
<b>Company Registration Number</b>	07687135	
<b>Independent Auditor</b>	DJH Mitten Clarke Audit Limited, Bridge House, Ashley Road, Hale, Altrincham WA14 2UT	
<b>Internal Auditors</b>	Wylie and Bisset, 168 Bath Street, Glasgow, G2 4TP	
<b>Bankers</b>	Lloyds Bank, 16 Market Place, Oldham, OL1 1JG	
<b>Solicitors</b>	Browne Jacobson LLP, 14th Floor, No. 1 Spinningfields, 1 Hardman Square Manchester, M3 3EB	

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# THE PINNACLE LEARNING TRUST

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2023

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

Our Trust operates four academies within the community of Oldham: Oldham Sixth Form College; The Hathershaw College; Werneth Primary School; and Broadfield Primary School. Broadfield Primary School converted to an academy and joined our Trust on 1 April 2023.

#### Oldham Sixth Form College

For students aged 16-19.

Student numbers on roll as at the census date of 20 Oct 2023: 2,354 (2022: 2,368).

#### The Hathershaw College

For students aged 11-16.

Pupil Admission Number (PAN) is 1,050.

Student numbers on roll as at the census date of 5 Oct 2023: 1,056 (2022: 1,057).

#### Werneth Primary School

For pupils aged 3-11.

Pupil Admission Number (PAN) is 450 (including all Nursery provision)

Pupil numbers on roll as at the census date of 5 Oct 2023: 408 (2022: 414).

#### Broadfield Primary School (became an academy and joined the Trust on 1 April 2023)

For pupils aged 3-11.

Pupil Admission Number (PAN) is 399 (including all Nursery provision)

Pupil numbers on roll as at the census date of 5 Oct 2023: 386.

## Structure, Governance and Management

### Constitution

Our Trust is an exempt charity and is constituted as a charitable company limited by guarantee (number: 07687135), governed by its Memorandum and Articles of Association. There were no significant amendments to these governing documents during the year.

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

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

### Members' Liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while 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.

### Trustees' Indemnities

Through the Articles of Association of our Trust, the trustees have been indemnified to the fullest extent permissible by law. During the reporting period, our Trust also purchased and maintained liability insurance for the trustees.

### Method of Recruitment and Appointment or Election of Trustees

The management of the Trust is the responsibility of the trustees who are elected and co-opted under the terms of the Articles of Association with effect from 1 September 2017. The Trust's Articles of Association requires a minimum of three trustees.

The Trustees who are currently in office and served throughout the year are listed in the Reference and Administrative Details section on Page 1. During the reporting period, there were seven meetings of the full Trust Board.

# THE PINNACLE LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### Policies and Procedures Adopted for the Inclusion and Training of Trustees

Newly-appointed Trustees are inducted into the workings of the Trust, including policies and procedures, as per the Trust's Transition and Induction Policy and Procedures. Our Trust is a member of the National Governance Association, the Confederation of School Trusts and The National College, all of which provide regular access to updates and training for Trustees and committee members. Where necessary, induction provides training on charity and educational, legal and financial matters.

Trustees are invited to attend various training sessions covering all matters of governance through senior leaders and external training providers. The training and induction provided for new trustees depends on their existing experience. New Trustees undergo training on the legal obligations under company law, the content of the Memorandum and Articles of Association, the governance and decision-making process of the Trust, the strategy, the financial position of the Trust and recent financial performance of the Trust. The local governing bodies have designated members for key areas of responsibility, such as safeguarding and health and safety and the Trust Board similarly has leads for these areas.

All new Trustees are given a tour of the academies within our Trust and are presented with the opportunities to meet with staff and students. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they need to undertake their role as Trustees. Inductions are tailored specifically to the individual.

Our Trust employs a Company Secretary who acts as the Lead Governance Professional, providing guidance to the Trustees on compliance with appropriate legal, regulatory, statutory and other frameworks. The Lead Governance and Professional maintains training records and skills inventories for the Trust Board.

#### Organisational Structure

Our Trust has a leadership framework consisting of six levels:

- 1 The Members
- 2 The Trustees
- 3 The Local Governing Body (LGB) of each academy
- 4 The Trust Executive Team
- 5 The Senior Leadership Team (SLT) of each academy
- 6 The wider academy teams

The aim of the leadership structure is to devolve responsibility appropriately and encourage decision-making at all levels. The Executive Principal/Chief Executive Officer (CEO) is the Accounting Officer. Full details of roles and responsibilities are given in the Scheme of Delegation and in the Code of Governance. The Trust Board meets as a full body a minimum of six times throughout the year. The Trustees are responsible for setting general policy, adopting a strategic plan, an annual budget and a rolling three-year financial plan. The Trust Board monitors the Trust's use of budgets and makes key decisions about the direction of the Trust, capital expenditure, student outcomes and senior staff appointments.

The local governing body at each academy reports to the Trust Board and monitors outcomes at academy level, including academy-specific policies and quality and standards. The Trust Executive Team is detailed in the Reference and Administrative Details section on Page 1. They have delegated authority to direct the Trust at an executive level, implementing the policies laid down by the Trustees and reporting back to them.

The academy senior leadership teams manage each academy on a day to day basis, implementing the policies laid down by the Trustees and also reporting back to them.

#### Arrangements for Setting Pay and Remuneration of Key Management Personnel

The Pay and Remuneration Committee is a sub-committee of the main Trust Board, and is responsible for determining the policy for the remuneration of the Executive Principal/CEO and other senior Trust level appointments, along with setting and reviewing the pay for the Principal of each academy. In determining such policy, the committee will consider all factors which it deems necessary, including relevant regulatory requirements.

Trustees are not paid for their services as board members; however, Trustees may be reimbursed for any appropriate business expenses. During the reporting period, these were £557.19 (2022: £198.70). The Executive Principal/CEO only receives remuneration or expenses in respect of the services provided undertaking the role of Executive Principal/CEO under their contract of employment, and not in respect of their role as a Trustee.

# THE PINNACLE LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### Trade Union Facility Time

##### Relevant Union Officials

Number of employees who were relevant union officials during the reporting period	Full Time Equivalent number of employees who were relevant union officials during the reporting period
6	6

##### Percentage of Time Spent on Facility Time

Percentage of time spent on facility time	Number of employees
0%	2
1% - 50%	4

##### Detail of Pay Bill Spent on Facility Time

Total cost of facility time	£4,473
Total trust pay bill	£20,501,289
Percentage of the total pay bill spent on facility time	0.02%

##### Paid Trade Union Activities

Time spent on trade union activities as a percentage of total paid facility time hours	Trade union activities: 6 hours Facility time: 94.30 hours  Time spent: 6.36%
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##### Connected Organisations and Related Parties

Jayne Clarke - Executive Principal/CEO and Accounting Officer, is a director of The Sixth Form Colleges Association (SFCA). The SFCA delivers a platform for the views of sixth form education and is a national network of sixth form providers, providing advice, information and networking opportunities on a whole host of topics and business items covering: curriculum, finance, planning, training & development, research and sector issues and opportunities.

During the year, our Trust purchased SFCA membership (£9,806.91) and training sessions (£2,538.00). A Copyright Licence Agency (CLA) annual fee of £9,900.00 was also procured through the SFCA, so as to secure CLA compliance at a discounted rate. The total value of transactions between our Trust and the SFCA during the year was £22,244.91.

Jayne Clarke is also a Trustee of The Radclyffe Co-operative Learning Trust, which is a body of local partners that combines experience and expertise to strengthen strategic leadership and supports The Radclyffe School (in Oldham) in raising standards and promoting community cohesion. During the year, our Trust delivered some external leadership training to a range of internal and external stakeholders. The Radclyffe School delegated a member of their staff to attend the leadership training and the amount paid for the training was £250.00.

Jonathan Bell – Principal at Werneth Primary School is a Director of Oldham Athletic Community Trust (OACT). Werneth Primary School procures the delivery of after school and holiday sports clubs from OACT. The cost of the delivery during the academic year 2022-23 was £14,625.00.

# THE PINNACLE LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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Michael Pitt was appointed to our Trust Board on 16 May 2023. Michael is a Partner of Pearson Solicitors and Financial Advisers, from whom our Trust procured some legal advice in relation to the Chapel Road project, before Michael was appointed as a trustee. The amount spent in 2022-23 in this regard was £5,516.50 and there have been no further commercial transactions following Michael's appointment as a trustee.

Mark Giles - Principal at The Hathershaw College; Elizabeth Moran – Principal at Broadfield Primary School; and Louise Astbury – Trust Professional Development Director are Directors of West Oldham Trust (WOT). Elizabeth Moran was appointed as a director to WOT on 13 September 2023.

WOT's principal objective is to advance the education of pupils at the member schools, to advance the education of other members of the community and to benefit the community. There were no non-zero transactions between our Trust and WOT during the academic year 2022-23.

Voluntary disclosures have been made regarding all of the above in Note 25.

#### Section 172 Statement

Under Section 172 of the Companies Act 2006, the Trustees of The Pinnacle Learning Trust must act faithfully in the way they consider, would most likely promote the success of our Trust for the benefit of all of its stakeholders as a whole.

In doing so each trustee must have regard (amongst other matters) to: -

- (i) the likely consequences of any decision in the long term;
- (ii) the interest of the Trust's employees;
- (iii) the need to foster the Trust's business relationships with suppliers, customers and other stakeholders;
- (iv) the impact of the Trust's operations on the local and wider community and on the environment;
- (v) the desirability of the Trust maintaining a reputation for high standards of business conduct; and
- (vi) the need to act fairly as between members of the Trust.

The Pinnacle Learning Trust is governed by its charitable objects. These charitable objects set out the purpose of the charitable company. The consequences of all decisions and activities of the charitable company are assessed by how they drive the trust towards achieving that long-term purpose, including by reference to the vision, mission, ethos, values and strategy.

As an educational charitable company, our Trust is accountable not only to its funders and direct beneficiaries (students) but also to parents and the wider community. These stakeholders support, engage with, and challenge the Trust. They ensure that the decisions made by the Trust, from the ground level through to the Board, are for their benefit. Our Trust is a values-driven organisation and our values mean that we are informed, shaped and powered by our determination to uphold our vision and values.

Well-established involvement and consultation mechanisms, both direct (through student, parent and staff surveys) and indirect (through the involvement of parents and local people on our Local Governing Body and Trust Board) ensure that decisions made by the Trustees are informed by the needs of the organisation's stakeholders.

#### (i) The likely consequences of any decision in the long term

Our Trust primarily engages its key decision making in alignment to its Strategic Plan, and in particular the Strategic Priorities. The Strategic Priorities link back to vision of our Trust, which is of 'a high achieving and locally-focused Trust with academies in all phases of education. With an understanding of the proud and vibrant communities we serve and a rigorous culture of high aspirations and strong academic performance, our focus is on creating opportunities that are transformational, improving the life chances of all our young people'.

The Strategic Priorities in the 2023-26 Strategic Plan are articulated on Page 26. For each Strategic Priority, the Trust Executive Team agree a series of Strategic Actions which are put in place to deliver the Strategic Priorities. The Strategic Actions are approved and monitored by the trustees.

All Trust decisions are made with the intention of directly or indirectly improving educational outcomes for our students. All matters reserved for decision by the Trustees are presented at full Trust Board or Sub-Committee meetings as appropriate. Trustees are briefed on any identified potential impacts and risks for our stakeholders and how they are to be managed. The Trustees take these factors into account before making a final decision which together they believe is in the best interests of our Trust and all stakeholders.

# THE PINNACLE LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### (ii) The interest of the Trust's employees

Our Trust recognises the importance of its employees and values the contributions made by all staff to providing the best possible education for our young people and to improving the life chances of our young people.

The success of our Trust results from the full commitment of all employees to the mission statement and core values. Our Trust values its employees and has engaged with the workforce through academy employee representatives and through regular consultation with local union representatives on policies and working conditions.

Employees are kept informed through regular staff meetings and bulletins, and their views continue to be sought through staff engagement groups and surveys. An environment where employees feel supported in their work through training and development and wellbeing initiatives is fostered. Our Trust invests significantly in the workforce and on wider staff wellbeing initiatives, as we believe that maintaining as low as possible turnover rates is important to the success of our students and staff.

Our Trust has developed a new People Strategy in collaboration with the Trust Executive Team; the HR Team; and, a cross section of staff members throughout the academies and other central services teams.

#### (iii) The need to foster the Trust's business relationships with suppliers, customers and other stakeholders

The Trust recognises the importance of building a good working relationship with all of its suppliers, especially those from within the locality and those having an affinity with what we are striving to achieve in the local and wider community. Strong client relationships have been maintained with our suppliers.

Regular communication and engagement with our suppliers remains important. During 2022-23, we have been working with a number of our suppliers on further developing sustainable procurement.

Our Trust has a lettings portfolio, primarily based at The Hathershaw College, and which operates in conjunction with the lettings portfolio of West Oldham Trust. The Trust's lettings portfolio comprises a hybrid of community and commercial bookings for a wide range of sports, activities, meetings and sessions. The two-way engagement between hirers and the Trust has a positive impact on the communities we serve.

The solid working relationships our Trust has with partners, suppliers, customers and other stakeholders are continually evolving and improving, and our Trust acknowledges that these working relationships are cardinal to our effectiveness and delivery of education.

The lettings portfolio is to be extended during academic year 2023-24 to cover some of the sports, dance and classroom facilities at Oldham Sixth Form College. Further lettings will form part of the Chapel Road project: we are in the final stages of acquiring and redeveloping a local, disused football pitch and adjacent pavilion. Subject to Department for Education (DfE) approval, acquisition of the site will allow for investment in the facility, so that it can be used by college students, pupils of an adjacent local school and the wider community.

#### (iv) The impact of the Trust's operations on the local community and on the environment

There is a deep and strong understanding of the communities served by our Trust which helps in achieving a rigorous culture of high aspirations and strong academic performance that improves the life chances of our young people.

Our Trust is also keen to further improve its impact on the environment. During the year and during previous years, the Trust has taken the following steps to drive developments in energy efficiency and in elimination of waste: investment in energy management software; further embedding of the Trust-wide Health and Safety electronic system; increasing communication to staff about minimising use of gas and electricity; working with an increasing number of suppliers on sustainable procurement; and, liaising with energy brokers to help us execute cultural awareness across our Trust, utilising their best practices and in getting the best fuel prices in an uncertain energy market.

In addition to these, a new Trust Sustainability Working Group was launched during 2022-23 which contains a cross section of staff across the four academies and central services teams, meeting once each half term to collaborate, share ideas and pioneer initiatives for waste reduction, energy management, promotion of sustainability projects, and care for our environment. The Group co-wrote our new Trust Sustainability Policy, which considers the understanding of our duty to care of our local and wider environment; of using education as a catalyst for sustainable development; recycling; reduction of waste; reduction of energy consumption; and, the micro and macro-economic impacts of sustainability initiatives.



# THE PINNACLE LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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Our Trust recognises the responsibilities we have to care for the environment.

#### (v) The desirability of the Trust maintaining a reputation for high standards of business conduct

The reputation of our Trust and of our academies is a fundamental part of our current and future successes. The vision, mission, ethos and values of our Trust are an integral part of recruitment, selection, training and continuous professional development of our staff, and these have a consequential positive impact on dealings with all internal and external stakeholders.

Our Trust aims to conduct all its relationships with integrity and courtesy, and scrupulously to honour every business agreement. The Trustees have approved a number of policies that help to: ensure the charitable company maintains high standards of business conduct; to ensure that economy, efficiency and effectiveness are achieved; and, to ensure we protect the public funds with which we are entrusted. These policies include the Investment Policy; Reserves Policy; Data Protection Policy; Fraud, Corruption and Bribery Policy; Whistleblowing Policy; and, Gifts and Hospitality Policy.

#### (vi) The need to act fairly as between members of the Trust

Our Trust has a clear, well-communicated vision, mission, ethos, values and strategy which underpins our desire to provide high quality teaching & learning through a supportive framework for academic success which engages local communities, and which creates extraordinary opportunities for staff and students that they won't experience elsewhere.

Transparent, comprehensive financial and management reporting is produced, which is appropriately reviewed and scrutinised, before being used to substantiate business decisions, ultimately impacting our students.

Our Trust strives to continue to be a fully inclusive organisation and does not unfairly discriminate against our students, staff or any other member of our community and stakeholders. We are committed to ensuring equality of opportunity for all who learn and work with us; to continuing to comply with equal opportunities legislation; and to continuing to review all policies with regard to age, disability, gender reassignment, race, religion or belief, sex, sexual orientation, marriage and civil partnership and pregnancy and maternity to ensure there is no identified adverse impact (direct or indirect) on minority groups.

Our Trust endeavours to remove any conditions which might place individuals at a disadvantage relative to others.

Applications for Trust employment from all members of society are considered. An applicant who has a disability and satisfies all the essential criteria of the post is guaranteed an interview. Where an existing employee develops a disability, every effort is always made to ensure that their employment with the Trust continues.

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

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

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

#### **Objectives and Activities**

The principal object and activity of The Pinnacle Learning Trust, is to provide education for students and pupils of different abilities between the ages of 2 to 19.

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

# THE PINNACLE LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### Objects and Aims

The main objects of our Trust during the year to 31 August 2023 are specifically restricted to the advancement of education for the public benefit, as per the Articles of Association. Our Trust's advancement of education in the United Kingdom is without prejudice to the generality of the foregoing, by establishing, maintaining, carrying on, managing and developing a multi-academy trust offering a broad and balanced curriculum.

The Trust has a broader vision, mission, ethos and set of values as follows:

#### Vision

Our vision is of a high achieving and locally-focused Trust with academies in all phases of education. With an understanding of the proud and vibrant communities we serve and a rigorous culture of high aspirations and strong academic performance, our focus is on creating opportunities that are transformational, improving the life chances of all our young people.

#### Mission

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

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

#### Ethos

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

#### Values

Underpinning our daily activities are the values of the Trust: 'Inspire', 'Challenge' and 'Celebrate'.

The Trust aims to:

- celebrate students' uniqueness and to support each one to flourish, becoming responsible, successful citizens who contribute positively to their communities and wider society;
- offer exceptional learning environments which create positive and challenging spaces that allow students and staff to thrive;
- develop outstanding leadership at all levels; and
- celebrate diversity and inclusion by encouraging an understanding of our communities, faiths and cultures.

#### Objectives, Strategies and Activities

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

#### Strategic Objectives for 2023-26

- To be a strong, highly respected and valued partner, with a local, regional and national reputation for providing excellent education and supporting the achievement of high standards for education providers within and beyond the Trust.
- To grow our Trust in a sustainable manner, through new academies joining; through Trust partnership opportunities; and, as a provider of professional development.
- All Pinnacle academies to be Ofsted-rated 'Good' or better (or on a clear path to being 'Good') within three years of joining the Trust; with an ambition to be rated 'Outstanding'.
- To further develop our effective, professional and efficient central services offer for our academies in our Trust;
- To support our communities in which our academies are located.

# THE PINNACLE LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### Public Benefit

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

In setting strategic aims and objectives and planning and reviewing activities, the Trustees have had regard to the Charity Commission guidance on public benefit. The Trust serves the Oldham area, with Oldham Sixth Form College serving students from primarily Oldham but also from some neighbouring local authority areas, including Manchester, Rochdale and Tameside. Students from Broadfield Primary, Werneth Primary and The Hathershaw College are largely drawn from Oldham.

In providing additional activities through the Research School and broader Trust professional development offers, a wider community is served, largely but not exclusively focused on Oldham.

Those benefiting from our Trust's activities access these through attendance at the academies and through Trust staff attending other providers' locations to provide support. In addition, support and provision are provided online, as appropriate.

Our Trust advanced education for the public benefit in a variety of ways during 2022-23, including the provision of the following services and support:

- education at nursery, primary, secondary and sixth form levels;
- a very broad range of extra-curricular activities, including trips and visits, holiday provision, summer schools, after school clubs, providing support to young people in respect of physical and learning difficulties and disabilities, and personal, welfare and mental health issues;
- supporting parents to engage with and support their children's education;
- supporting schools beyond our Trust in respect of their education provision through our work through the Teaching School Hub, Associate Research School and through Trust staff taking on Trustee and Governor roles at a range of other schools;
- a range of staff working as examiners in their specialist subjects, providing support to the education system beyond the Trust.

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

#### **Strategic Report**

##### Achievements and Key Performance Indicators

##### Oldham Sixth Form College

##### Ofsted

Oldham Sixth Form College received a Full Ofsted inspection visit during October 2022 and received the following gradings:

The quality of education	Good
Behaviour and attitudes	Outstanding
Personal development	Outstanding
Leadership and management	Outstanding
Education programmes for young people	Good
Provision for learners with high needs	Good

Our College is proud of the education we provide to our 16-19 year-old students, from a broad and inclusive curriculum, to the support and extra opportunities we provide. It is pleasing to have the hard work of all associated with the College recognised by Ofsted, with so many 'Outstanding' judgements.

# THE PINNACLE LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### Research School Status

We were delighted to be successful in the application and selection process for full Research School status, with The Pinnacle Learning Research School launching in September 2023. The Research Schools Network is a network of schools which support the use of evidence to improve teaching and learning practices, aiming to take a lead in the use of evidence-based teaching; building affiliations with large numbers of schools; and, supporting the use of evidence at scale.

Research Schools work with the other schools in their areas to help them use evidence more effectively to inform their teaching through: encouraging schools to make use of evidence-based programmes and practices through regular communication and events; and, through the provision of training and professional development for senior leaders and teachers, on how to improve classroom practice based on the best available evidence.

#### Curriculum and Attainment

Oldham Sixth Form College offers an ambitious curriculum of unparalleled breadth to all students which is designed carefully in the context of Oldham and its surrounding areas and with the needs and aspirations of young people as its constant focus. Our curriculum offer of A-Levels, BTECs/CTECs and T Levels, ensures that students can successfully progress onto the widest range of degrees, apprenticeships and employment opportunities. Progression of our 2022-23 cohort is very strong and is consistent with previous years.

The Advanced Pathway with its 4AS programme in Year 12, ensures that students are fully prepared, with a strong and varied foundation, for A Level. The Blended Pathway allows students to continue with a varied Level 3 programme, whilst often resitting GCSE Maths or English. The Vocational Pathway ensures that students who are ready to, can specialise in an area in which they are already particularly interested. The three-year Foundation Programme provides a small cohort of students with a borderline GCSE profile the opportunity to pursue a year of Level 2 study before progressing onto one of the Pathways outlined above. The very small Life Raft programme ensures that students who otherwise couldn't, can successfully complete Year 13. Achievement of students across all programmes 2022-23 is very pleasing, and is in line with performance of pre-pandemic cohorts.

Our college continues its commitment to ensuring students thrive and benefit from an exceptional college experience. The impact of this can be measured in a number of ways; their aspirational destinations; their academic success; and, their personal skills development stemming from their time here.

Our 2022-23 Year 13 cohort have had an educational experience interrupted by a range of coronavirus pandemic interventions throughout their school life, and were the cohort that arrived at college with grades allocated by teachers (Teacher Assessed Grades (TAGs)). They have been further subjected to some of the grading corrections required by the state to return A-level standards to pre-coronavirus levels resulting in the number of high grades and middle grades being harder to access. This has not had a huge impact on our general data.

The coronavirus context does remain important, as there is increasing evidence of wider pandemic issues relating to student wellbeing, mental health and anxiety, impacting on a number of attainment and progress figures. This has resulted in some students previously leaving college early under exceptional circumstances (11 Year 13 students have been permitted to restart Year 13 in 2023-24), being allowed to restart; some students deciding college was not where they wanted to be; and, other students underperforming. It is also worth noting the existing socio-economic challenges of Oldham were exponentially exacerbated by the coronavirus pandemic. Performance of our students resitting GCSE English and Maths is excellent.

#### The Hathershaw College

##### Examinations Results, Attainment and Progress

Over the summer, we celebrated our second set of examination results since the coronavirus pandemic brought a pause to these. Despite a return to pre-pandemic standards, pupil progress remains in line with the national average, with one of the best scores in the town. We are delighted with our progress scores, and will use them as a platform for future success.

We are very pleased with our examination results. By way of providing a context, the Year 11 cohort who left us in the summer, had starting points significantly below the national average based on Key Stage 2 SATs results, but higher levels of attainment on entry, compared to the cohort who left in 2022. Therefore, for progress to be in line with or better than last year, their attainment would have needed to have been significantly higher.

# THE PINNACLE LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

This was always going to be a challenge for a group of students whose Key Stage 3 provision was significantly disrupted with Year 8 ending abruptly in March 2020 as a result of the first coronavirus national lockdown; with Year 9 being curtailed as a result of further coronavirus national lockdowns; and, with further disruption caused by requirements to self-isolate and caused by coronavirus-related teacher and support staff absences.

Whilst it is acknowledged that this cohort of students had limited disruption during Key Stage 4, they started their GCSEs with very fragile Key Stage 3 foundations, despite the higher starting points from primary school. As we know, progress is measured from Key Stage 2 results and not from where students are when they end Key stage 3. By way of providing further context, the Office for National Statistics (ONS) has confirmed, that areas with the highest levels of deprivation have been most heavily affected by the coronavirus pandemic, including in terms of educational outcomes.

Levels of deprivation in the cohort that left this year, were higher than other year groups, with 46% in receipt of pupil premium. This is why Hathershaw, despite the complexity of the system, invested heavily in the National Tutoring Programme, subsidising this with our whole school budget given that the Government funding contribution declined in 2022-23 from 75% to 60%. Schools in areas of deprivation did not receive any additional no more government subsidy for this catch-up tuition than those in more affluent areas.

Progress 8	2023 College Results	2022 College Results	2019 National Results
All students	-0.05	+0.25	0.00
Pupil Premium students	-0.37	-0.06	-0.45
Others (non-PP)	+0.22	+0.55	+0.13
Girls	-0.06	+0.42	+0.23
Boys	-0.04	+0.15	-0.27

Attainment 8	2023 College Results	2022 College Results	2019 National Results
All students	42.37	45.80	46.55
Pupil Premium students	37.47	41.46	36.70
Others (non-PP)	46.61	49.16	50.15
Girls	44.54	48.23	49.33
Boys	40.33	43.51	43.88

Attainment 4+/5+	2023 College Results		2022 College Results		2019 National Results	
	English 4+ (%)	English 5+ (%)	English 4+ (%)	English 5+ (%)	English 4+ (%)	English 5+ (%)
All students	64	46	73	58	73	56
PP Students	50	38	70	52	63	45
Others (non-PP)	75	53	76	62	83	67
Girls	76	55	82	68	78	62
Boys	52	38	65	48	63	45

Attainment 4+/5+	2023 College Results		2022 College Results		2019 National Results	
	Maths 4+ (%)	Maths 5+ (%)	Maths 4+ (%)	Maths 5+ (%)	Maths 4+ (%)	Maths 5+ (%)
All students	65	46	70	52	71	50
PP Students	58	35	63	48	54	32
Others (non-PP)	71	55	75	55	77	55
Girls	68	46	69	51	72	50
Boys	62	45	71	53	71	50

Attainment 4+/5+	2023 College Results		2022 College Results		2019 National Results	
	English & Maths 4+ (%)	English & Maths 5+ (%)	English & Maths 4+ (%)	English & Maths 5+ (%)	English & Maths 4+ (%)	English & Maths 5+ (%)
All students	56	38	63	45	66	44
PP Students	44	29	54	38	45	25
Others (non-PP)	66	46	69	51	72	50
Girls	63	41	66	51	69	47
Boys	49	35	59	40	61	40

# THE PINNACLE LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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This year's exams saw a return to almost pre-pandemic examination conditions, with only formula sheets provided to students in Maths and Science and grade boundaries returning to 2019 levels. Whilst there was some grade protection in place, these were only similar to the measures in place in 2017, when students began the transition from legacy GCSEs to reformed GCSEs.

#### Music in Secondary Schools Trust (MiSST)

As a result of our continued engagement with MiSST and the delivery of the Andrew Lloyd Webber Programme, a number of our key stage 3 students were invited to London in April 2023 to perform at the Theatre Royal Drury Lane alongside Jason Donovan and Baron Andrew Lloyd Webber himself.

As a result of our involvement in MiSST, music provision goes from strength to strength with students in all year groups now studying the subject. Further to the engagement with the Andrew Lloyd Webber Programme, we were approached by the National Youth Orchestra of Great Britain, who then performed at Hathershaw alongside our students. This was the first such event for us and was broadcast online, providing students with a taste of live orchestral music, which is impossible to recreate in any other way.

#### Visual arts

As well as music, our expressive arts team continue to raise the profile of their subjects. We have some stunning art and photography work in our new reception area and have transformed a recently widened corridor into a gallery and a space to celebrate the northern arts scene.

#### Overseas trips

As the world has returned to normal after the coronavirus pandemic, Hathershaw has quickly embraced a return to overseas trips, with visits to Amsterdam, Barcelona and Paris taking place in the last year. Despite the cost of living situation, these trips have proven popular with pupil premium funding providing support.

#### Virtual wallet

All students in the current Year 7 cohort have each received a virtual wallet of £100 which can be used in full or part to pay for the cost of any educational visit which the school isn't obliged to fund. We are hoping that this will provide further support in the current climate to ensure all students, whatever their background, can engage with opportunities to broaden their horizons. The plan is to continue this for subsequent cohorts entering the school.

#### Leading Parent Partnership Award (LPPA)

Hathershaw has been successful in being reaccredited as a LPPA School, acknowledging the work that it does to engage with parents and carers.

#### Attendance

Our efforts to promote the good attendance of students is front and centre in our work at Hathershaw. In recognition of this, during the 2022-23 academic year we won two attendance awards from the Fischer Family Trust for our attendance, which was well above the national average in both the autumn and spring terms.

#### Online safety

We take all aspects of safeguarding young people seriously, but when it comes to online safety we certainly leave nothing to chance. We have participated in the Social Switch project, using Year 10 students to buddy with Year 7 students, to ensure that they are safe online as well as achieving the National Online Safety accreditation.

#### Sustainability

We have truly embraced sustainability at Hathershaw and making very positive contributions to the Trust wide approach that is starting to take shape. We have held our annual sustainability week, and invited well known environmentalist, David Alcock, to the school to speak to students. As well as this, we were shortlisted for the Chester Zoo Outstanding Conservation Award and invited to a very prestigious presentation event. As a result of our commitment to sustainability and the environment, our Sustainability Lead, Lisa Lott, was awarded a certificate in carbon literacy.

#### STEM

Science, Technology, Engineering and Maths (STEM) is at the heart of our curriculum at Hathershaw and we always engage with any opportunity for students to apply their skills from school to the real world. As a result of this, a group of Year 9 students attended the Science and Technology Challenge Day at the University of Manchester, proudly winning the diagnostic challenge award with a fresh take on virtual reality and well-being.

# THE PINNACLE LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### Inclusivity

We are proud to continue to host the Local Authority's Hearing Resource Centre (HRC), with profoundly deaf and hearing-impaired young people attending lessons with communicators alongside their peers. A group of our deaf students participated in the regional Pentathlon in Liverpool, representing Oldham and winning gold.

#### The Link

We have just opened our latest addition to our school, being 'The Link' which is our new Special Educational Needs and Disabilities (SEND) single space. This new environment is a welcome addition, bringing together a range of pastoral and SEND services into a distinct area of the school, meaning that we have more capacity and are better equipped to offer intervention to our students, when they need it, and in a more appropriate area.

#### Duke of Edinburgh Award

We are proud to be associated with the Duke of Edinburgh award, having successfully delivered this to bronze level for many years, including through the pandemic. However, for the first time, we have had a cohort of young people progress to the silver level thanks to funding we received directly from the people behind the Duke of Edinburgh Award.

#### Charity

Despite the cost of living situation adversely affecting our families, our Hathershaw Acts of Charity and Kindness (HACK) programme continues to thrive. We have diverted some of our fund raising from collecting cash to collecting the student's reward points, but their generosity should not be underestimated. The young people donating these points could easily have put them towards end of year reward trips, but chose to use them to support others. Their generosity resulted in the following contributions to the charities we supported: Children in Need £570; Oldham Food Bank £162; Maggie's £440.

#### Supporting our community

Our local community is important to us, particularly our elderly residents. There can be a lot of misunderstanding between people of different generations. We are keen that our young people respect those in the community, but equally keen for our community to see young people doing good for others. Our King's Coronation event in the summer was an example of this with an afternoon tea party for our elderly residents all organised and served by our students. There were lots of sandwiches, cakes and flag waving as well as shared pride in the country from a group of people who wouldn't necessarily always have things in common.

#### Werneth Primary School

#### Ofsted

Werneth Primary School received a Full Ofsted inspection visit during May 2023 and received the following gradings:

The quality of education	Good
Behaviour and attitudes	Good
Personal development	Good
Leadership and management	Good
Early years provision	Good

The school is delighted with the Ofsted report and is really proud to have been judged Good in all areas.

We have received a wonderful report which testifies the dedication, expertise and skill of the whole Werneth Primary School Team. We are all so proud of all of the brilliant work over the past three years that has led us to this point. It has been a monumental effort from all, and is a truly remarkable achievement.

The staff teams have:

- created or adapted the curriculum in almost all areas of the curriculum so that it enables children to meet the National Curriculum end points;
- developed pedagogy and implemented strategies to support our most vulnerable children to achieve the best possible outcomes;
- supported our families through the coronavirus pandemic and three lockdowns with excellent pastoral support;
- supported and empowered subject leaders to develop and drive our curriculum forward;
- accelerated progress for all groups of pupils, term-on-term and year after year for three years to raise attainment across the school;

# THE PINNACLE LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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- developed and implemented the personal development offer, with well-chosen trips, curriculum, after school provision and Music tuition; and
- improved and enhanced our school building by way of extensive roof repairs, decorated classrooms, new fire doors, new classroom spaces and improved storage.

The favourable judgement has been achieved despite many challenges being presented over the past three years, including:

- increased numbers of International New Arrivals and Fair Access children than the whole of the rest of Oldham at several points;
- coronavirus lockdowns; staff coronavirus illness; and, new, ever-changing arrangements to keep children and staff safe;
- a rapid and marked increase in the numbers of Special Educational Needs and Disabilities (SEND) learners, with Education Health Care Plan (EHCP) numbers going from 7 to 20; and
- many challenges caused by the condition of the school site, largely due to the age of the estate.

Securing such a positive Ofsted report has required boundless energy, resilience, expertise and ambition for our children, and an ethos of relentless ambition for our children and staff to be the very best that they can. It has been a monumental positive turnaround for the school and everyone at the school is immensely proud of what has been achieved, to give our children, families and community a school that they deserve.

#### Sustained accelerated progress in Reading, Writing and Maths

All groups continued to make more than expected progress (more than 6 subgrades since September 2022) in Reading, Writing and Maths. The average progress in Reading and Maths is equivalent to one full school year, plus an additional half term and equivalent to one full school year, plus an additional three to four weeks in Writing.

This accelerated progress half term on half term (and year on year since 2020-21) is increasing the percentage of children achieving the age-related expectations (or better) by the end of Key Stage 2.

The accelerated progress of inwardly mobile children shows that provision for these children is effective.

The accelerated progress of Pupil Premium and Free School Meals children, is narrowing the gap between attainment on entry and the national expectations in Reading and Maths. This demonstrates the effectiveness of our Pupil Premium strategy

#### Silver Sports Mark Award

Werneth Primary School was awarded the Silver School Sports Mark in July 2023. We are extremely proud to receive this award and are delighted with our participation numbers for school sport:

- 276 participants at 28 different inter-school sport events;
- 86 Pupil Premium eligible participants and 20 SEND participants at 28 different inter-school sports events; and
- 646 places taken to participate in 37 after school sports clubs, of which 200 places were taken by those eligible for Pupil Premium and 84 places taken by SEND participants.

This represents a fantastic sporting offer, exemplifying our school ethos, providing opportunities to so many of our children, that would not otherwise have them. We offer our thanks to our Mark O'Leary – School PE Lead and everyone involved in providing such a range of sporting opportunities to our brilliant children.

#### Broadfield Primary School

##### Joining The Pinnacle Learning Trust

Broadfield Primary School converted to an academy and joined our Trust on 1 April 2023, following approval by the DfE and following a comprehensive and successful consultation and collaborative due diligence process.

The school is looking forward to working together with Werneth Primary, Hathershaw College and Oldham Sixth Form College, and to further strengthening the shared commitment to supporting students and their families within the communities we serve.



# THE PINNACLE LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### New Principal Appointment

Elizabeth Moran was appointed Principal of Broadfield Primary School on 1 April 2023, following the retirement of long-serving Headteacher, Patricia Stennett. We are most grateful for Patricia's dedication and service over the years and she will be missed by all associated with our school. The school is looking forward to developing further under Elizabeth's leadership.

#### Attainment and Progress

General Progress throughout the school is strong, including for our Pupil Premium and for our SEND children.

#### EYFS

- Good Level of Development (GLD) of 64% - in line with pre-pandemic data and national data for 2022 at 65%;
- There has been above expected progress in all areas of learning in Reception. The highest increase in the proportion of children on track was seen in reading, writing and PSED (Personal, Social and Emotional Development.)
- Progress in Nursery was good overall with little difference between the am and pm groups. The highest increase in the proportion of children on track was seen in fine motor skills, reading and writing.
- Provision, including WellComm, continues to support good outcomes in speaking and understanding.
- In Acorns (our provision for two year-olds), we are proud of our young children and pleased with progress, despite it being below expected due to our cohort being born during the coronavirus pandemic; and, due to a large proportion of our young children having additional, sometimes complex needs.

#### Key Stage 1

- The percentage of children on track to achieve expected levels of attainment exceeds the national data in all areas.
- There has been a significant increase in the number of children on track in all subjects, compared to the number in 2022.
- Data for expected attainment compares positively with pre-pandemic data.
- Attainment at greater depth does lag behind national data in all subjects.

#### Key Stage 2

- In the Year 4 multiplication tables check, the outcomes for 2023 are substantially better than the outcomes for 2022 and are closer to the national average.
- For Year 6 pupils, there has been strong progress in all areas, and for all groups, including, Children Looked After; Pupil Premium; and, SEND children.

#### Staff and Pupil Wellbeing

Staff wellbeing is really strong at Broadfield. Positive relationships between staff have contributed to the effective retention of colleagues at all levels. We are working hard to ensure opportunities for internal progression in school, to avoid any recruitment and retention issues; and, to empower and support our staff to remain aspirational. Our school continues to receive support from the wellbeing team at the local authority for guidance and training opportunities.

Our mental health leads in school offer regular catch-ups, supervision, strategies and meetings to support colleagues. Children and families continue to access Social, Emotional and Mental Health Difficulties (SEMH) support through 'Place 2 Be' and through our core pastoral team.

Evidence from the recent Trust wellbeing survey demonstrates a very positive outlook from staff, particularly against national benchmarks. Senior leaders have shared feedback from the survey with staff and will work to ensure we address the few concerns highlighted, so as to ensure the best impact for our pupils, while managing the workload for our teachers and support staff.

#### Central Services Teams

Our definition of Trust Central Services, provides a framework of support for academies within our Trust. The framework aims to deliver best value for money and shared functions, teams and services which complement the operational management of our academies, and which delivers the shared vision of our Trust.

# THE PINNACLE LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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The central services teams have further evolved and developed during the academic year, providing effective support to academies and championing engaging communication between teams, and throughout the wider Trust. As our Trust continues to grow, we are looking to organically increase the estates, HR, payroll, finance, marketing and IT teams over the next 12 to 18 months, and further evolve our operating model during an exciting period of structured transformation.

A new working group of central services leaders has been established to clearly define how we further develop the positive framework of support offered to our academies and to consequently, to our students.

It is however, with great sadness that we have to report on the passing of one of our friends and central services colleagues. Rick Kenway – Trust Digital Marketing Officer tragically passed away in September 2023 after an illness. Rick was a former student of Oldham Sixth Form College, and worked for the College (later transitioning into a Trust role), over the past 19 years. Rick is sorely missed by all of his friends and colleagues, with whom he worked.

#### Going Concern

The Board of Trustees has a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies on Page 48 and further details regarding the financial position, financial performance and future financial projections can be found in the Financial Review section (below).

#### **Financial Review**

The Trust remains pleased with its current financial position despite a slightly more challenging year due to high cost inflation. Cash balances as at 31 August 2023 were £6.656m (2022: £6.992m). Whilst there has been a slight net cash outflow for 2022-23, we have not compromised on providing the very best for our students. The opportunity was taken during the year to make some capital investments, from own funds, which will generate net savings over a longer period of time, and which will allow us to comfortably navigate the period of the 2023-26 financial plan. The capital expenditure included transitioning a further tranche of our fluorescent lighting to Light Emitting Diodes (LEDs); some further IT investment as part of our digital strategy; a new front reception area at Hathershaw; and, a new SEND Hub at Hathershaw. £483k of our net cash outflow was in relation to Condition Improvement Fund (CIF) project expenditure, for which the income was recognised in prior years.

There continues to be a concentration on cash management, and the culture of financial awareness, financial control and resource management remains strong throughout our Trust.

Total incoming resources during the year amounted to £30.090m (2022: £23.640m) which represents a marked increase in turnover. This is primarily due to welcoming Broadfield Primary School into our Trust on 1 April 2023. £2.608m of the total incoming resources relate to capital, revenue and pension balances transferred into our Trust on the academy conversion of Broadfield Primary School.

The majority of the Trust's income is received from central government funding through the Education and Skills Funding Agency (ESFA) in the form of recurrent grants. Some additional ESFA grants were introduced during 2022-23, such as the Mainstream School Additional Grant (MSAG), to partly address the cost inflation challenges experienced by our sector as a whole. The MSAG is to be rolled up into the National Funding Formula in 2025. Further details of all central government, local government and other grants are provided in the notes to the financial statements.

Our Trust received £630k of capital income in 2022-23 compared with £287k the previous year. Of the capital income received during the year, £325k is in relation to the CIF for a major electrical refurbishment project at Werneth.

Total outgoing resources for the year were £28.074m (2022: £24.998m), the majority of which related to the direct provision of educational operations. These figures do include the annual depreciation charge (£1.179m in 2022-23), and the movements on defined benefit pension schemes (£173k in 2022-23) which are not actuarial or pension asset ceiling movements. The restricted general fund expenditure is materially higher than in the previous year, reflective of five months of a fourth academy in the Trust, and reflective of wider cost inflation impacting us all.

# THE PINNACLE LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

As at 31 August 2023, the total funds balances amounted to £38.190m (2022: £39.354m). In addition, all assets aggregated on the balance sheet as at the year-end date, were used exclusively for providing education and associated support services to students across our Trust.

A summary of the financial performance for the year ended 31 August 2023 can be found in the Statement Of Financial Activities (on Page 44) and a summary of the financial position as at 31 August 2023 can be found in the Balance Sheet (on Page 46).

A comprehensive, sustainable three-year financial plan for the period 2023 to 2026 has been prepared, reviewed, scrutinised, approved and submitted to the ESFA as part of the annual Budget Forecast Return (BFR) process. The projected in-year surpluses over the course of the plan are much lower than in previous years; however, they are reflective of the current inflation metrics. There is further demonstration that our Trust can operate as a going concern.

The next phase of our Trust growth strategy will see Alexandra Park Junior School (also in Oldham) join us on 1 April 2024. At the time of the meeting at which the trustees approved the three-year financial plan, we had not received notification from the DfE of the academy order for Alexandra Park Junior School, and as such the numbers summarised in the table below do not consider the income and expenditure of a fifth academy; do not consider any Schools Capital Allocation grants; and, do not consider the further synergies that we would achieve as a Trust of five academies across all phases of education.

The figures in the summary table exclude depreciation charges and any notional movements in the pension fund:

<b>The Pinnacle Learning Trust</b> <i>(with Oldham Sixth Form College; The Hathershaw College; Werneth Primary School; and Broadfield Primary School)</i>	<b>31 Aug 2024</b>	<b>31 Aug 2025</b>	<b>31 Aug 2026</b>
Projected cash held as at year-end date	£7.014m	£7.028m	£7.045m

<b>The Pinnacle Learning Trust</b>	<b>2023-24 (Year 1)</b>	<b>2024-25 (Year 2)</b>	<b>2025-26 (Year 3)</b>
<b>Income</b>	£28.793m	£29.581m	£30.202m
Staffing costs	(£22.740m)	(£23.580m)	(£24.244m)
Non-staffing costs	(£5.648m)	(£5.656m)	(£5.734m)
Capital Expenditure	(£0.382m)	(£0.323m)	(£0.208m)
<b>'Working' Surplus / (Deficit)</b>	<b>£0.023m</b>	<b>£0.022m</b>	<b>£0.016m</b>
CIF-funded capital expenditure where income has been recognised in 2022-23	(£0.326m)	-	-
<b>Adjusted 'Working' Surplus / (Deficit)</b>	<b>(£0.303m)</b>	<b>£0.022m</b>	<b>£0.016m</b>

<b>The Pinnacle Learning Trust</b>	<b>31 Aug 2024</b>	<b>31 Aug 2025</b>	<b>31 Aug 2026</b>
Staffing ratios <i>(staffing costs as a proportion of total income)</i>	78.98%	79.71%	80.27%

Our Trust was successful with a CIF bid in relation to a major electrical refurbishment at Werneth Primary School. The grant income has been recognised in the Statement Of Financial Activities for the year ended 31 August 2023; however, the majority of the associated expenditure is included in the table above and in the Capital Commitments Note (on page 69).

Since approving the 2023-26 three-year financial plan, we have received notification of the primary and secondary teachers' pay award (a 6.5% uplift), and the associated accompanying grant, which part-funds this pay award. Confirmation of these has had only a marginal (but positive) impact on our budgets. In addition, during September 2023, there was additional Post 16 funding confirmed, which again has marginally positively impacted our budgets.

# THE PINNACLE LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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The sixth form college teachers and sixth form college support staff pay awards (both 6.5% uplifts) had been finalised at the time of publishing this Trustees' report. The pay award for primary and secondary support staff (an uplift which is the greater of £1,925 or 3.88%) had also been finalised. These uplifts had already been contained within our 2023-26 three-year financial plan.

As such, at the time of approving the annual report and financial statements, the Trustees have a firm expectation that, considering everything, the charitable company has requisite and desired resources to continue in operational existence for the foreseeable future.

During 2022-23, in relation to the principal grants (ESFA 16-19 Core Programme Funding for Oldham Sixth Form College and ESFA General Annual Grant for all primary and secondary academies), Oldham Sixth Form College was funded for 2,346 students; The Hathershaw College was funded for 1,060 students; Werneth Primary School was funded for 405 pupils; and, Broadfield Primary School was funded (1 April to 31 August 2023) for 322 pupils. (The General Annual Grant does not apply to our Nursery children).

In 2023-24, in relation to the principal ESFA grants, Oldham Sixth Form College is being funded for 2,354 students; The Hathershaw College is being funded for 1,057 students; and Werneth Primary School and Broadfield Primary School are being funded for 380 and 322 pupils respectively.

Our Trust also reviewed non-staffing budgets and other overheads, identifying areas where savings could be made, where procurement could be more efficient and effective, and where any areas of relatively high expenditure could be discussed and addressed. Investing in the energy management software will give us a net saving over the medium and longer terms, contributing to achieving our sustainability strategy, and allowing for more to be invested in educational resources, even during times of high cost inflation.

During 2023-24, our Trust's central services teams and academies teaching and support staff will continue to take pride in being accomplished custodians of the public funds with which we are entrusted.

#### Capital Expenditure

Our Trust has incurred capital expenditure of £1.362m in 2022-23 (£867k in 2021-22). The principal capital additions applied during the year were in relation to the completion of two Condition Improvement Fund (CIF) projects (for which the associated income was recognised in prior years): Fire Door Improvements at Werneth Primary School and Sports Centre Roof at Oldham Sixth Form College. Both of these projects were transferred from work-in-progress to land and buildings within our accounting fixed asset register.

Further capital outlay was made on a new reception and SEND Hub at Hathershaw; a further tranche of transition from fluorescent lighting to LEDs; lift replacements; air conditioning replacements; new boilers; and, further investment in our digital strategy. These were in the majority, planned and expected items; however, some of our additions were unforeseen but necessary capital expenditure items.

Of the £1.362m capital additions, £106k was funded by the ESFA Devolved Formula Capital Grant; £174k from the ESFA Additional Capital Grant; £512k from CIF income, £31k insurance income; £18k from academy conversion transfer; and, £521k revenue contribution to capital outlay.

The levels of capital expenditure over the short, medium and longer terms will continue to be carefully monitored by the Trust moving forward.

Other significant movements in the Statement Of Financial Activities are £1.179m of depreciation costs and a further actuarial gain of £3.179m (which is partially offset by the notional in-year service cost of the LGPS of £173k). There has been an additional movement on the pension fund this year, by way of an asset ceiling adjustment, so to bring the pension asset balance to zero. The reason for capping the actuarial movement by way of an asset ceiling adjustment, is that the actuaries have advised that a minimum funding requirement exists for the LGPS; where the minimum funding requirement is defined to be an appropriate amount, which must be made to a plan over a future period of time. As such, the economic benefits are reduced and the pension asset is capped.

Although the depreciation and pension movements are not 'cash' transactions, the trustees consider and understand the potential longer-term implications, whether positive or negative, of these on the financial viability of the Trust.

# THE PINNACLE LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### Depreciation

The Trust's total depreciation charge for the year is £1.179m (up from £952k in 2021-22). Of this total depreciation charge, £589k is in respect of land and buildings, £129k in respect of plant, machinery, furniture, fixtures and fittings, and £2k in respect of owned vehicles. These assets are maintained, as far as is possible, in an 'as new' condition, with an annual programme of planned & preventative maintenance (PPM) for both academies, and reactive maintenance budgets for ensuring the upkeep of the built fabric of each site.

ICT depreciation for the year is £459k, reflecting the effects of both the in-year additions, and reduction in value of the Trust's existing ICT hardware & infrastructure.

#### Pension Fund

Trust staff are placed in one of two pension schemes: teaching staff are in the Teachers' Pension Scheme (TPS), and support staff are in the Local Government Pension Scheme (LGPS). The TPS is 'unfunded', and so no liability as such is reflected in Trust financial statements. The actual rate for TPS employer contributions is currently 23.68%; however, it is to rise to 28.68% from 1 April 2024.

The LGPS is 'funded' – so each year, the value of the fund and the liabilities to be met from it are assessed by professional actuaries, and the change in these factors is reflected in the accounts of bodies who have staff in the fund.

Prior to 2022, the LGPS was in a deficit position, meaning that the Trust had a pension reserve deficit. Any LGPS deficit may result in a cash flow effect for the Trust in the form of possible future increases in pension contributions which, if required, will be met from the budgeted annual income. There would be no direct impact on the free reserves of the Trust because of recognising the deficit. Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of an academy trust closure, outstanding local government pension scheme liabilities would be met by the Department for Education. This guarantee came into force on 18 July 2013.

As at 31 August 2023, the LGPS was in a surplus position, with an unadjusted pension asset balance of £7.355m; however, following the application of the asset ceiling adjustment, we are showing a pension fund balance of zero, as at 31 August 2023.

The LGPS balance is considered in the overall reserves of the Trust (£38.161m):

Restricted General and Unrestricted Fund:	£5.693m
Restricted Capital Fund:	£32.497m
Restricted Pension Fund:	£nil

The LGPS in which The Pinnacle Learning Trust's support staff are placed is the Greater Manchester Pension Fund (GMPF).

Following the 2022 Actuarial Valuation, GMPF employer contribution rates for the period 1 April 2023 to 31 March 2026 were published. These rates are 16.5% for Oldham Sixth Form College and Central Services staff and 19.0% for The Hathershaw College, Werneth Primary School and Broadfield Primary School. These rates are in place until March 2026 after which the next triennial period commences.

The rates for the period 1 April 2020 to 31 March 2023 were 16.5% for Oldham Sixth Form College and 20.6% for the other academies within our Trust.

It is not necessarily so, that future employer contribution rates will follow any subsequent actuarial gains or losses in the Trust's Pension Fund. This is attributable in part to actuary reports being delivered at academy level and the employer contribution rates being pooled.

Whilst the academies within The Pinnacle Learning Trust receive individual actuarial reports each year, the numbers shown in these reports are notional, and do not necessarily drive the actual cash contributions required from the Trust in respect of GMPF employer contributions.

# THE PINNACLE LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### Estates Management

Our Trust has developed an Estates Strategy which synergises with the Strategic Priorities of our Trust, and which explains how we effectively use our funding to ensure we have a safe, well-maintained, secure and sustainable estate which is compliant with all relevant legislation and regulations.

The main objectives of our Estates Strategy are as follows:

- prioritising safeguarding of all students with regards to resource allocation and staff expertise;
- explaining how we can facilitate a positive learning environment for students across our academies;
- obtaining value for money through meticulous estates planning; through design and implementation of an effective programme of planned, preventative maintenance; through increasingly sustainable procurement; and, through achieving economies of scale;
- providing insight into our Trust's current and potential capital funding streams; capitalisation and depreciation of assets; wider asset management planning; and recording of land, buildings and lease information;
- assisting with reducing energy consumption and waste throughout our Trust;
- mitigating the risks of unforeseen defects or failures, which may adversely affect the operation of our academies;
- ensuring that new building and refurbishment projects provide buildings that are well designed and fully meet service needs cost-effectively;
- ensuring that our estates are used as effectively as possible; and
- creating a culture of taking pride in our estate, our facilities and our academies.

Our Trust's strategic approach to estates management has positive impacts throughout our academies such as:

- saving money through taking preventative measures to reduce operating estates costs over the longer terms; through procuring effectively; through prioritising works; and, through scheduling repairs and maintenance in advance;
- safer and healthier environments leading to fewer incidents and accidents; improved student and staff morale; prolonged academic excellence; and a distinguished reputation; and
- development of sustainable and efficient academies that use less energy and water; increase recycling efforts; and, recognise their responsibility to care for the environment.

We also utilise the tools, checklists and information contained within the DfE's Good Estates Management for Schools (GEMS) guidance to further assist us with strong management of our estate.

#### The Principal Sources of Funding

The Trust receives its principal funding from the Education and Skills Funding Agency (ESFA) in the form of current grants, which include:

- 16-19 Core Programme Grant
- General Annual Grant
- Pupil Premium Grant
- Recovery Premium Grant
- Schools Supplementary Grant
- Mainstream Schools Additional Grant
- Teachers' Pay and Pension Grant
- PE and Sports Premium Grant
- National Tutoring Programme Grant
- Universal Infant Free School Meals Grant
- Devolved Formula Capital Grant

#### Risk Management

The trustees are aware of their responsibilities to identify, assess and manage the major risks to which our Trust is, or may be exposed.

During the year, our Trust has continuously improved its work on risk management by further enhancing its risk management policy and risk strategy. Staff have developed a good understanding of their day to day responsibilities in managing risk, and we have held some internal staff training on risk management in order to further embed this understanding and to further embed our risk management culture.

# THE PINNACLE LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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The Trust has a 'three lines of defence' model to help with the management of risk. The 'three lines of defence' are three sets of people who collaborate to manage risk. A person may belong to more than one set; however, each set as a whole maintains a degree of independence from the preceding set, and each set is proactive and does not wait for the preceding set to 'fail':

- 1) The first 'line of defence' consists of all staff, governors, committee members, trustees and members.
- 2) The 'second line of defence' consists of all Senior Leadership Teams, all formal Trust Sub-committee colleagues, Executive Principal/CEO and the Trust Board.

Trust Senior Leaders should not only ensure that their staff are aware of their operational risks and that their staff perform the controls expected of them in their day to day activities, but should also apply cross-department challenge in terms of risk and control. They shall ensure that staff are performing the controls expected of them, that managers are ensuring their staff are risk aware, and that managers are applying appropriate challenge.

The Executive Principal/CEO, Trust Board and its sub-committees apply rigorous challenge and independent quality assurance regarding risk management.

More explicitly, the Audit and Risk Committee oversees the internal audit, statutory audit and risk management piece as required in its review of internal controls throughout our Trust. Concerns relating to these are escalated and achievements highlighted to the Trust Board.

Whilst in the 'second line of defence' in terms of assurance, the Trust Board is accountable for the management of risk throughout our Trust.

- 3) The 'third line of defence' consists of auditors (internal and external), regulators (such as ESFA and Ofsted) and other relevant third-party assurances.

Whilst we do not control the scope and remit of auditors and regulators, it is accepted that these bodies provide definitive, useful, comprehensive and otherwise unavailable assurance which is substantial enough to be classified as a line of defence for the Trust with regards to risk management.

The extensive degree of independence provided by these bodies, is not available in the second line of defence, so it is justifiable for them to be included in the Trust's third line of defence.

The Trust holds a strategic risk register on which all principal risks are identified, categorised and logged. There are now 15 identified strategic risks, all of which are given an inherent risk score and a residual risk score and all are mapped to a set of controls which are in place to mitigate the risks.

Each academy within the Trust also holds its own risk register which is mapped to the Trust's strategic risk register. The strategic risk register also explicitly links to the Trust's Strategic Priorities for 2023-26.

The academy level risk registers and the Trust's strategic risk register are presented as a standing agenda item at each Audit and Risk Committee meeting.

The principal risks of the Trust are categorised into eight different risk types – thematic categories identified into which the risks are classified:

- People Risk
- Finance Risk
- Governance Risk
- Operational Risk
- ICT Risk
- Compliance Risk
- Environmental and External Factors Risk
- Facilities and Estates Risk

Each risk type has an 'owner' who is a senior Trust leader. Policies and procedures have been developed against each to manage risk, and the risk register is reviewed periodically by the Board to identify areas where further measures may be needed.

# THE PINNACLE LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

The processes in place to identify, log, classify and manage risk are reviewed annually or where there have been material changes to the relevant courses of business.

#### Principal Risks and Uncertainties

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

The Trust's 15 strategic risks to which all academy level risks are mapped, have been classified by the eight principal risk types, and are:

<b>Risk Type</b>	<b>Trust Strategic Risk</b>
People Risk	Risk of a significant loss of key staff (or risk of high staff turnover).
People Risk	Risk of inadequate safeguarding.
People Risk	Risk of ineffective staff professional development and workplace training.
Finance Risk	Risk of inadequate reserves and liquidity management.
Finance Risk	Risk of inadequate financial reporting.
Governance Risk	Risk of the Trust lacking vision, direction, strategy and forward planning.
Governance Risk	Risk of the Board of Trustees and/or sub-committees lacking relevant skills and commitments.
Operational Risk	Risk of inadequate provision of education and risk of student performance and student attainment being at lower than expected levels.
ICT Risk	Risk of lack of investment into ICT resources and ICT infrastructure.
ICT Risk	Risk of loss of Trust data.
Compliance Risk	Risk of failing to comply with any legislation or regulation.
Environmental and External Factors Risk	Risk of epidemic, pandemic or other widespread public health issue.
Environmental and External Factors Risk	Risk of adverse reputational damage or negative public perception by association.
Environmental and External Factors Risk	Risk of a lack of consideration of: (i) understanding the need to care for our local and wider environment; and, (ii) using education as a catalyst for sustainable development within the context of the communities we serve.
Facilities and Estate Risk	Risk of unsafe or insecure facilities, which are not well maintained and which do not comply with health and safety and other regulations.

As our Trust is directly funded by the Department for Education, funding streams are considered to be reasonably safe and secure. The risk mainly arises from changes in government policy, funding levels and any decrease in student numbers. Our Trust's risk management strategy, in place to help manage and mitigate risk, is reviewed and updated on a regular basis.

Our Trust's share of the defined benefit pension scheme liability is currently zero (2022: a pension asset of £3.335m). The risk is that, if there becomes a future defined benefit pension scheme liability, there may be an impact on cash flow representing an increase in employer's pension contributions. The trustees are satisfied that our Trust is able to meet its known contribution to commitments for the foreseeable future.

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

All of our risk management practices were independently reviewed during 2022-23 as part of the internal auditor's programme of work for the year. The internal auditor, in particular, reported to the Audit and Risk Committee that the risk management framework introduced and developed by our Trust was of the highest standard.



# THE PINNACLE LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### Reserves Policy

The Trust's Reserves Policy has been scrutinised by the Finance and Resources Committee and has been approved by the Trustees. The principal objective of the Policy is to protect our students, staff, trustees and governors, and our assets.

The Policy has other objectives as follows:

1. to have a prudent level of resources available to meet unforeseen contingencies. (Very often, the effects of an unplanned event can be managed in the long-term, but reserves may be needed in the meantime);
2. to provide a framework for future strategic planning and decision making;
3. to contribute to a good culture of strong financial control, cash management and value for money considerations;
4. to maintain a focus on pure cash reserves;
5. to be utilised alongside the Trust's Investments Policy, continuing balancing giving our students the very best with further stabilising our Trust's financial position;
6. to help our Trust withstand any future budget stresses in the short, medium and longer terms;
7. to help our Trust fulfil strategic ambitions around capital programmes, growth and other projects;
8. to define and describe the different types of fund held by our Trust; and
9. to ensure that our Trust complies with the requirements of the Academy Trust Handbook.

The maintenance and improvement of the Trust's reserves is focused primarily on cash in the bank, but also on accounting reserves balances. The Trustees have short term and longer-term plans for the maintenance and improvement of these reserves.

For the academic year 2023-24:

- the desired level of free reserves at Trust level deemed sufficient, is equivalent to at least two months payroll costs; and
- our Trust must explain all variations to the budgeted revenue surplus during the year, through its management reporting.

The Trustees acknowledge that the level of reserves for the charitable company may change during the year and could either be a good indicator of the underlying financial health of the Trust, or could be an indicator of potential problems.

It is acknowledged that due to the ongoing challenging sector-level and macro-level economic circumstances, the Trustees will need to look more frequently at the committed levels of free reserves stated within the Reserves Policy. As such, the Trustees may, at a given point in time over the course of the academic year, need to decide whether or not the levels continue to be reasonable and reflective of the economic conditions at any said juncture.

#### Restricted General Reserves

Restricted funds must be spent by our Trust, either directly or indirectly on the provision of education. As at 31 August 2023, the balance on the restricted general fund was £3,910m (2022: £4.348m).

Our Trust has not formally transferred any of its restricted general fund to a designated fund; however, it will look to utilise a proportion of its restricted general fund balance, over the course of the three-year financial plan (2023-26) and perhaps beyond, as follows:

- a) completion of the first half of the urgent roof replacement at Werneth Primary School;
- b) completion of a planned capital project in 2024 - the acquisition and refurbishment of a sports facility (with classroom, office space and changing pavilion) in the local area;
- c) to expand the central services teams as our Trust continues to evolve as per the growth strategy;
- d) to make a minority contribution to any new successful Condition Improvement Fund bids (CIF) following the 2024-25 bidding round;
- e) to be in a good position to maintain, repair and replace other assets as they fall due over the medium and longer terms;
- f) to be able to finance any future (capital or revenue) initiatives, if the trustees feel these would further benefit our students; and
- g) to be able to withstand any other future budget stresses and to remain in a strong financial position.

# THE PINNACLE LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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The Trust's restricted fixed asset fund will be reflective annually of the capital expenditure incurred and of the annual depreciation charge.

#### Investment Policy and Investment Performance

All investments are made in accordance with the Trust's Investments Policy which has also been scrutinised by the Finance and Resources Committee and has been approved by the Trustees. The principal objective of the Policy is also, to protect our pupils, students, staff, trustees and governors, and our assets.

The Policy has other objectives as follows:

- 1) to develop sufficient capital and revenue reserves to fund future projects and to maintain the ability to operate as a going concern;
- 2) to ensure that our Trust has adequate and liquid reserves;
- 3) to provide a framework for short, medium and longer term strategic planning and decision making;
- 4) to contribute to a good culture of strong financial control, cash management and value for money considerations;
- 5) to be utilised alongside the Trust's Reserves Policy, continuing balancing giving our students the very best with further stabilising the Trust's financial position;
- 6) to ensure that investments of any surplus cash are made without undue risk;
- 7) to ensure that, where possible, investments are diversified;
- 8) to ensure that our Trust complies with the requirements of the Academy Trust Handbook;
- 9) to ensure that the Trust's funds are used only in accordance with the law, its funding agreements, and with the Trust's Articles of Association; and
- 10) to articulate how the Trust must utilise a banking service.

If the cash reserves levels rise significantly faster than expected during the year, the Trustees may decide to further invest externally. The consideration and potential decision must be added to an agenda item at the next meeting of the Board of Trustees.

For the said agenda item, the Trustees must consider:

- whether any potential investment properly considers a) security; b) liquidity; and, c) return; in that order;
- if further professional advice is necessary to aid the decision making;
- whether there needs to be consideration of shared values with the financial institution being evaluated;
- counterparty treasury management credit ratings where appropriate;
- any risk of the Trust's business current accounts becoming overdrawn;
- the amount(s) to be invested and for how long;
- how quickly the capital invested can be converted to cash at any given point in time;
- whether there is potential to be adversely impacted by currency, interest rate or other market fluctuations;
- if any potential investment may be novel, contentious or repercussive (as defined by the ESFA in the Academy Trust Handbook);
- whether the performance of a potential investment can be reliably measured;
- whether a diversification of investment is preferred;
- whether there are any material brokerage costs;
- whether there are any reporting or other contractual requirements as a result of investment; and
- whether there are any ethical, environmental or other social-economic considerations.

Any final investment decision may of course be: 'do nothing'.

The Trustees must ensure that investment risk is properly managed and must not undertake any form of borrowing without prior written approval from the ESFA.

As at 31 August 2023, our Trust had a principal invested amount of £2,000,000 for 95 days.

#### **Fundraising**

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

# THE PINNACLE LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### Streamlined Energy and Carbon Reporting (SECR)

UK greenhouse gas emission and energy use data for the period 1 September 2022 to 31 August 2023 (and for the comparative period):

	2023	2022
Energy consumption used to calculate emissions (kWh):	5,139,732	5,615,057
Energy consumption broken down by:		
Gas (kWh)	3,439,725	3,831,315
Electricity (kWh)	1,689,385	1,781,661
Transport fuel (kWh)	10,622	2,081
<b>Scope 1 emissions in metric tonnes CO2e</b>		
Owned transport – minibuses and tractors	1.29	0.52
Gas consumption	627.96	699.37
<b>Total Scope 1</b>	<b>629.25</b>	<b>699.89</b>
<b>Scope 2 emissions in metric tonnes CO2e</b>		
Purchased electricity	349.83	344.54
<b>Scope 3 emissions in metric tonnes CO2e</b>		
Business travel in employee owned vehicles	1.44	0.89
<b>Total gross emissions in metric tonnes CO2e</b>	<b>980.52</b>	<b>1,045.32</b>
<b>Intensity ratio</b>		
Metric tonnes CO2e per student/pupil	0.25	0.27

#### Quantification and Reporting Methodology

Our Trust has followed the published Streamlined Energy and Carbon Reporting (SECR) for academy trusts guidance, updated 20 September 2023. The Trust has used the Green House Gas (GHG) Reporting Protocol – Corporate Standard and has used the 2023 UK Government Emission Conversion Factors for Company Reporting.

The Scope 2 emissions in metric tonnes CO2e has increased, despite the actual consumption of electricity being lower during the year. This is because the government conversion factors used for Scope 2 in 2022-23 were materially higher.

We are really pleased with the overall drop in energy consumption in relation to last year, particularly as we have an additional academy being included for five months (April to August 2023). We look forward to further executing our sustainability strategy to yield a further relative drop in consumption next year.

#### Intensity Ratio Measurement

Our Trust has chosen its intensity ratio to be the total gross emissions in metric tonnes CO2e per student. This is the recommended ratio to use for the Education sector.

#### Measures taken to improve energy efficiency

The following measures have been taken during the year to further drive improvements in energy efficiency and in elimination of waste:

- establishment of a Trust Sustainability Group containing a cross section of staff across the four academies and central services teams, meeting once each half term to collaborate, share ideas and pioneer initiatives for waste reduction, energy management, promotion of sustainability projects, and care for our environment;
- completion of a revised and fully refreshed Sustainability Policy which: highlights the positive work done by our students on sustainability; explains how we call all reduce energy consumption and waste throughout our Trust; considers of the micro and macro-economic impacts of sustainability initiatives; contemplates the use of education as a catalyst for sustainable development; considers financial sustainability and our Trust's ability to operate as a going concern; and, appraises the wider meaning of sustainability and applications to delivering our Trust's vision, mission, values and ethos;
- working with new and existing suppliers to further develop more sustainable procurement;

# THE PINNACLE LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

- investing in electricity management software which: further improves and embeds the good culture and good staff and student practices associated with reduction of energy consumption; identifies, across the Trust, exactly where electricity is being consumed; establishes where we have inefficiencies; and, identifies any faults;
- proactively monitoring energy markets and utilising expert opinions regarding energy consumption and contracts; and
- transitioning of a further tranche of our lighting systems from fluorescent lighting to Light Emitting Diodes (LEDs).

#### Plans for Future Periods

##### Strategic Plan and Strategic Priorities

Our Trust's Strategic Plan (2023-26) articulates our Strategic Priorities for the next three years, with these being set in the context of the seven domains and 14 elements of the Confederation of School Trusts' (CST) Strong Trust Assurance Framework.

We have eight Strategic Priorities, as two of them map to the 'Public Benefit and Civic Duty' Priority Type:

Strategic Priority Type (CST domain)	Priority Type Context	#	The Pinnacle Learning Trust Strategic Priority
<b>High Quality, Inclusive Education</b>	Our Trust creates a culture that is motivating and ambitious for all, especially disadvantaged students and students with SEND needs, so that all students can achieve their potential.	1	Providing high quality education and an excellent, knowledge rich curriculum, reflecting individual academy contexts, maximising the benefits of evidence informed practice and promoting cultural capital and education for sustainable development for all students, both through the core and extended curriculum provision (including enrichment, citizenship and social, emotional and mental wellbeing support).
<b>School and College Improvement at Scale</b>	A strong conception of quality and culture of continuous improvement is pervasive across all academies in our Trust.	2	Enable leaders to work together to support and guide school/college improvement, whilst also further enhancing the link between staff development/improvement and whole school/college improvement and our systems that drive school improvement in the different phases. Providing support and development opportunities within and beyond our Trust, through the delivery of an extensive programme of evidence-informed professional development (such as: through our Research School; Teaching School Hub roles; Science Learning Partnership Hub).
<b>Expert Ethical Leadership</b>	Trust leadership teams create a culture of expert, ethical leadership based upon the Seven Principles of Public Life (the 'Nolan Principles'). A culture of 'one organisation', built around our Trust's purpose and values, is created.	3	Promote, develop and provide values-led leadership at all levels, to support improvement and excellence in teaching and learning across the phases, and to secure retention and progression pathways for all staff, supported by the provision of professional development opportunities. Ensure productive and effective relationships and communication, building a culture of expert, ethical leadership around our Trust's purpose and values.
<b>Workforce Resilience and Wellbeing</b>	Our Trust creates a positive working culture for all staff that promotes collaboration, aspiration and support.	4	Embed our Trust People Strategy, responding to national recruitment and retention issues by focusing on staff wellbeing, workload reduction and professional development to ensure a workforce that is resilient and well equipped to support the Trust's vision and values.

# THE PINNACLE LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

<b>Strategic Governance</b>	Our Trust anchors its strategy in the needs of our academies, the communities we serve, and the wider educational system in line with our charitable objectives.	5	Promote and develop excellent governance through clarity of roles and purpose at all levels, strong and effective practice, and valuing and developing Local Governing Bodies together with ensuring compliance with all statutory obligations (including safeguarding, Prevent, GDPR and Health and Safety) and ensuring succession planning is firmly embedded in the long-term practice of the trust board and its committees.
<b>Public Benefit and Civic Duty</b>	Part of the culture of our Trust is to work beyond our own organisation with other Trust leaders and civic actors for the wider common good and wider public benefit.	6	Build and maintain strong and effective strategic relationships within and beyond the local area, to raise the profile of our Trust (internally and externally) and promote it as partner of choice for prospective joiners, professional development, and for our offers to students and families, providing opportunities for students to play a positive and active role in their communities, through voluntary activities, fundraising, etc. In short, to make our Trust the 'Trust of choice' and our academies the destinations of choice in their communities.
		7	Implement the Trust's growth strategy through carefully managed work with key partners, building relationships, effective due diligence and supportive transition and induction for new joiners.
<b>Finance and Operations</b>		8	Further develop and grow our central services teams, whilst maintaining delivery of a high quality of service, provision of value for money and expert advice. Alongside this, further embed a culture of pride in our facilities, strong risk management, financial control and operational excellence throughout our academies and throughout our Trust.

### Alexandra Park Junior School

In July 2023, the DfE Advisory Board confirmed that Alexandra Park Junior School, Brook Lane, Oldham OL8 2BE is to join The Pinnacle Learning Trust. We have since established that the academy conversion date is to be 1 April 2024.

The addition of Alexandra Park Junior School to the Trust is an exciting opportunity for both the School and the Trust. The addition will:

- allow further collaboration and partnership within the Trust, through the sharing of specialist, high-quality teaching expertise, helping with improving standards and educational outcomes for more pupils across the partnership as a whole;
- give the School more opportunities to utilise professional development and the use of research evidence to further improve teaching and learning;
- provide new and additional opportunities for pupils at the School through working with colleagues and partners within our Trust;
- allow the School and the wider Trust to secure further value for money, particularly with procurement and with greater economies of scale achieved through the engaging, responsive and experienced Trust central services teams;
- allow the School to benefit from wider efficient, effective, proactive and responsive support across all of its operations; and
- create opportunities to improve the recruitment, development and retention of talented staff and provide opportunities for joint staffing appointments, where appropriate.

# THE PINNACLE LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

Alexandra Park Junior School and The Pinnacle Learning Trust share the same aims and values and both parties believe the joining will have a positive impact on our local community. We are all looking forward to developing our partnership moving forward, and we all want our students to learn; to be happy; and, to achieve their best.

The joining is an additional, solid example of further execution of the ambitions contained within the recent DfE guidance document: 'Commissioning High-Quality Trusts – How the DfE Regions Group takes decision about the creation, consolidation and growth of academy trusts'.

The addition of the School to the Trust is a strategic development, as articulated in the Trust's Growth Strategy, and one which the Trustees believe will further substantiate our Trust as a 'strong Trust', as articulated in the White Paper.

#### Chapel Road

Our Trust is in the final stages of acquiring and redeveloping a disused football pitch and adjacent pavilion, approximately two miles from Oldham town centre.

The site is currently disused and has not been used for the last six years. Acquisition of the site will allow for investment in the facility by upgrading the playing surface, lighting, perimeter fencing and pavilion, so that it can be used by college students, pupils of an adjacent local school and the wider community.

The Trust was, in 2021, identified as the local authority's preferred bidder following a competitive tender process.

The Trust had submitted a land acquisition application to the DfE which is currently being reviewed, in collaboration with the local authority. Once the review has concluded and permission from the DfE has been granted, our Trust will move forward with in partnership with a not-for-profit social enterprise, who will staff the facility and manage the bookings. Any income received will be distributed to both parties, so to cover business as usual costs; however, the exact mechanics of the distribution will be agreed once the permission from the DfE has been granted.

Provided value for money can be achieved, the Trustees have agreed to utilise some of our reserves to finance the redevelopment. The capital investment has been referred to in the notes section of our recently submitted 2023 Budget Forecast Return (BFR), but the actual amount to be committed (c.£1.1million) has been considered as a what-if, rather than included as actual BFR figures, given that we have not yet received permission from the DfE to proceed.

We look forward to concluding the Chapel Road project and to providing an asset enhancing the experiences of our students and the wider community.

#### **Funds Held as Custodian Trustee on Behalf of Others**

The Trust does not act as a custodian trustee for any charities.

#### **Auditor**

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all the 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.

The Trustees' Report, incorporating a Strategic Report, was approved by order of the members of the Board of Trustees on 5 December 2023 and signed on its behalf by:



Andrew Kilburn  
Chair of Trustees

# THE PINNACLE LEARNING TRUST

## GOVERNANCE STATEMENT

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### Scope of Responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to Jayne Clarke (Executive Principal and Chief Executive Officer (CEO)), as the Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Pinnacle Learning Trust and the Secretary of State for Education.

Any material weaknesses or breakdowns in internal control must be reported to the Board of Trustees.

### Governance

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

Trustee	Meetings attended	Out of a possible
Andrew Kilburn	7	7
Ateeque Ur-Rehman	2	7
Daniel Brown	2	7
Jayne Clarke	7	7
Prof. Christine Horrocks	6	7
Irene Howard	5	7
Dave McEntee	4	7
Rebekah Sutcliffe	5	7
Chris Wilson	7	7
Michael Pitt	1	2

### Changes in the Composition of the Board of Trustees

Michael Pitt was appointed to the Board of Trustees in May 2023. Michael is a local solicitor and our Trust looks forward to benefitting from Michael's legal expertise over the coming years.

Prof. Christine Horrocks resigned from the Board of Trustees in August 2023, but will still continue to chair the Local Governing Body of Oldham Sixth Form College. Daniel Brown resigned from the Board of Trustees in September 2023. The Board is most grateful to Christine and Daniel for their contributions made towards the success of our Trust.

### Coverage of the Work of the Board of Trustees

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

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

The Board of Trustees applies the highest standards of conduct and ensures robust governance, as these are critical for effective financial management. The guidance contained within the Governance Handbook complements and aids compliance with the Academy Trust Handbook.

# THE PINNACLE LEARNING TRUST

## GOVERNANCE STATEMENT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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Our Trust has used the headings contained within the Confederation of School Trusts' (CST) discussion paper 'What is a Strong Trust?', as a framework for the 2023-26 Strategic Priorities. The headings align closely with the work of our Trust:

- **Strategic governance** – Our Trust anchors its strategy in the needs of our academies, the communities we serve and the wider educational system in line with our charitable objectives.
- **Expert, ethical leadership** – Trust leadership teams create a culture of expert, ethical leadership based upon the Seven Principles of Public Life (the 'Nolan Principles'). A culture of 'one organisation', built around our Trust's purpose and values, is created.
- **High quality, inclusive education** – Our Trust creates a culture that is motivating and ambitious for all, especially disadvantaged students and students with SEND needs, so that all students can achieve their potential.
- **Academy improvement at scale** – A strong conception of quality and culture of continuous improvement is pervasive across all academies in our Trust.
- **Workforce resilience and wellbeing** – Our Trust creates a positive working culture for all staff that promotes collaboration, aspiration and support.
- **Finance and operations** – Everyone in our Trust recognises the importance of effective and efficient use of resources for the wider benefit of all students.
- **Public benefit and civic duty** – Part of the culture of our Trust is to work beyond our own organisation with other Trust leaders and civic actors for the wider common good and wider public benefit.

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

### Strategy and Policy

- Setting the overall strategy and policy objectives of the Trust at Trust level together with setting key performance targets and agreeing any amendments to these. This is undertaken through the consideration and approval of a strategic plan proposed to the Board by the Executive Principal/CEO and informed by the individual Academy Improvement Plans (prepared by the relevant Principal and Academy Local Governing Body).
- Approving any other major strategies.
- Annually considering the Trust's responses to requirement from its regulators (such as the DfE, ESFA, Ofsted).

### Risk Management

- Setting a risk management strategy which defines and determines risk appetite and which ensures alignment to the Strategic Priorities of the Trust.
- Ensuring that risk management is embedded throughout the leadership framework and throughout the wider Trust.

### Financial Management and Control

- Approving the annually-prepared single year budget, three-year financial plan, and cash flow forecasts.
- Approving the Trust's Reserves Policy; Financial Control Policy; Procurement Procedures; Investments Policy; and, Gifts and Hospitality Policy.
- Receiving and considering regular reports on the Trust's performance against key financial indicators and reviewing or agreeing any corrective action necessary.
- Acting in relation to any serious under-performance or any danger to the Trust's financial security.
- Ensuring the Trust's assets are protected including the maintenance of adequate insurance cover.
- Agreeing authorised signatories for returns and submission to regulators.

### Education

- Monitoring performance against the Trust's education performance targets and national benchmarks;
- Agreeing admissions and other policies for new schools and academies joining the Trust.

### Borrowing

- Agreeing any borrowing strategy and methods for raising funds. The academy trust must not undertake any borrowing without prior express permission from the ESFA.



# THE PINNACLE LEARNING TRUST

## GOVERNANCE STATEMENT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

### Human Resources

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

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

### The Board's Performance, including assessment of its own effectiveness and any particular challenges that have arisen for the Board

The Board and senior leaders consider The Pinnacle Learning Trust Board to be operating effectively and meeting statutory, regulatory and other obligations, such that it should be considered to be a 'high quality trust' as per the information provided in the DfE guidance document: 'Commissioning High-Quality Trusts – How the DfE Regions Group takes decision about the creation, consolidation and growth of academy trusts'. There are five pillars of trust quality descriptions contained within the guidance and in the previous White Paper: 'Opportunity for all: strong schools with great teachers for your child' which provide an overview of what constitutes a strong trust, as follows:

- **High Quality and Inclusive Education** – delivers high quality education across their academies, including for disadvantaged children and children with SEND, and operates fair access. Has effective central leadership teams, strong school leadership and teaching, and uses evidence-based curriculum design and implementation.
- **School Improvement** – works quickly to improve standards within all their schools, particularly transforming previously under performing schools, and maintaining appropriately performing schools.
- **Workforce** – trains, recruits, develops, deploys and retains great teachers and leaders throughout their careers, proactively engaging in Initial Teacher Training and the Early Career Framework, supporting staff development by using National Professional Qualifications and other evidence-based professional development and providing them with opportunities to progress. Deploys the best staff in the schools where they are needed most and prioritises staff wellbeing.'
- **Finance and Operations** – is underpinned by strong and effective financial management, prioritising the use of resources, including the estate, to deliver the best educational experience for children.
- **Governance and Leadership** – operates an effective and robust governance structure that involves schools and exemplifies ethical standards. Utilises the expertise and skills on its boards to oversee the strategic direction of the trusts effectively and hold leaders to account. Has a strong local identity, engaging effectively with parents and the wider community.

Trustees are highly focused on ensuring they fulfil their obligations in respect of each of these indicators, and in addition to meeting their statutory obligations in regards to each area, they receive regular updates and provide support and challenge in these areas at each meeting of the Board and through their work between meetings, through links with Trust Leaders.

We had two successful Ofsted inspections within our Trust during the academic year 2022-23, with Oldham Sixth Form College being judged as Good overall (with three Outstanding aspects) and Werneth Primary School being judged as Good overall (a marked improvement on the Requires Improvement judgements from

The full gradings received by Ofsted were as follows:

### Oldham Sixth Form College – Inspection October 2022

The quality of education	Good
Behaviour and attitudes	Outstanding
Personal development	Outstanding
Leadership and management	Outstanding
Education programmes for young people	Good
Provision for learners with high needs	Good

### Werneth Primary School – Inspection May 2023

The quality of education	Good
Behaviour and attitudes	Good
Personal development	Good
Leadership and management	Good
Early years provision	Good

# THE PINNACLE LEARNING TRUST

## GOVERNANCE STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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All academies within our Trust are now rated Good overall by Ofsted, and the Board is committed to ensuring continuous improvement going forward.

Over the past year, the Board has undertaken strategic succession planning and furtherance of the growth strategy. Whilst the challenge of executing these are recognised, the Board is confident in being able to effectively plan over the long term to ensure that effective and strong governance can be maintained as we welcome additional academies into our Trust over the coming years.

Audit outcomes provide another source of evidence for the Board's performance, and these continue to be strong, confirming that the Trust's governance, risk management, financial management and other central services are performing effectively. There is review and scrutiny of all such information by the Board and its committees, and Trustees hold senior leaders to account effectively for continuous improvements against the vision, mission, ethos, values and key performance indicators against which the Trust and its academies are judged.

The recruitment challenges faced during the previous year have eased a little during 2022-23; however, as with the rest of the sector and as with wider society as a whole, there were some positions which proved trickier to appoint to over the year. Despite these, all teaching, business and operations have been executed without compromise and with excellence maintained.

#### Information about the quality of the data used by the Board and why the Board finds it acceptable

Working across three phases of education (primary, secondary and post-16), means that Trustees receive a broad range of data, given the different outcomes data for these phases. Trustees are provided with headline details, benchmarked against local and national data wherever possible, along with clarification on acronyms, and regular presentations from Trust leaders about specific details (e.g. phase-specific data, curriculum changes and so on). Data is provided in line with national headlines and the provision of externally validated data alongside in-year data ensures Trustees can have confidence in the validity and accuracy of the information provided.

Meeting agenda item summaries help Trustees with the navigation of large amounts of data and reports that they receive. The summary points explicitly identify which activities are for noting; which are for discussion; and, which are for approval. The summary points also explicitly designate those items for which a formal decision is to be taken. These have been well received by Trustees and help focus discussions, support, challenge and decision making.

#### **Governance Review**

Our Trust follows a structure of committees which is in keeping with many other multi-academy trusts. Terms of reference are reviewed annually and amended as necessary. Agendas cover all important matters and papers are circulated (and provided via secure Google Drive folders) in good time, enabling Trustees and Governors to read and digest them in advance of meetings. Thorough reports from senior leaders ensure that those involved in Governance have access to relevant information.

LGB members meet for 15 minutes ahead of meetings starting, without senior leaders present, to enable discussion about questions to ask, thus ensuring full engagement by all involved, as far as possible. LGBs receive the minutes of Trust Board meetings and committees in order to ensure transparency of governance for those working at academy level. Trust Board members receive all LGB minutes and have an opportunity to discuss these in every meeting.

The Trust's Annual General Meeting (AGM) was held on Friday 3 February 2023, at which the Members and Trustees formally received the 2022 statutory accounts; reviewed the performance of each academy within our Trust; re-appointed the statutory auditors; and, discussed the evolution of the ambassadorial role of the Members. All members of the Trust Executive Team attended this meeting in order to provide input and answer questions from Members and Trustees about their work within the Trust. This meeting was held in person for the first time since 2020 following the emergence from the coronavirus pandemic.

Regular newsletters from each academy are shared with Members, Trustees and the relevant LGB Governors. In addition, termly Trust Updates, written for Trust staff, are shared with Members, Trustees and all Governors, as an additional means of communication and sharing information about the Trust's progress and achievements.

# THE PINNACLE LEARNING TRUST

## GOVERNANCE STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### External Review of Governance

The Trustees commissioned the CST to conduct an External Review of Governance during the Autumn of 2023, in order to provide a further layer of assurance, but also to provide independent and objective insights into the effectiveness of our governance structure. The External Review of Governance will assist the Trust Board in ensuring that a robust framework is in place for the future development of the Trust in the medium to long term, with a particular focus on exploring how layers of governance perform their delegated duties and work together.

#### Finance and Resources Committee

The Finance and Resources Committee is a sub-committee of the main Trust Board. It has a comprehensive terms of reference and the remit of the Finance and Resources Committee can be summarised as follows:

- provision of guidance and advice to the main Trust Board on all financial, estates and resourcing matters;
- ensuring general compliance with the Academy Trust Handbook;
- ensuring that all statutory and regulatory reporting is complete, accurate and submitted on time;
- consideration of the indicative funding of each academy within the Trust, notified annually by the ESFA;
- assessments of the funding implications for each academy;
- scrutiny of the Trust's annual budget and rolling three-year financial plan;
- monitoring and review of Trust income and expenditure against budget;
- review of the Trust's financial management and reporting arrangements;
- ensuring the effective implementation and operation of financial procedures on a regular basis, including the implementation of bank account and investment arrangements;
- consideration of the financial statements, forming part of the Trustee's Annual Report to stakeholders;
- review of how the Trust manages its estate and asset portfolio;
- reviews the work of the evolving Trust Sustainability Working Group;
- review of Finance, Estates, HR and Sustainability policies;
- scrutiny of our People Strategy and our Estates Strategy; and
- consideration of wider HR matters, making appropriate and necessary recommendations to the Board of Trustees.

During 2022-23, the Finance and Resources Committee met four times with attendance as follows:

Committee Member	Capacity	Meetings attended	Out of a possible
Chris Wilson (Chair)	Trustee	4	4
Jayne Clarke	Trustee	4	4
Daniel Brown	Trustee	0	4
Tony Jones	Hathershaw LGB	4	4

#### Audit and Risk Committee

The Audit and Risk Committee is another sub-committee of the main Trust Board. It too has a comprehensive terms of reference and its remit can be summarised as follows:

- consideration of the work of the statutory auditors including receipt of any management letter points;
- review of the internal audit plan and the work of the internal auditors;
- monitoring of the Trust's consolidated master audit action tracker;
- recommending the adoption of Trust risk management strategies and policies;
- scrutiny of the academy level risk registers and the Trust's strategic risk register;
- review of Trust safeguarding compliance; and
- review of Trust health and safety reporting and monitoring of compliance with statutory health and safety obligations.

# THE PINNACLE LEARNING TRUST

## GOVERNANCE STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

The Audit and Risk Committee met three times during the 2022-23 academic year with attendance as follows:

Committee Member	Capacity	Meetings attended	Out of a possible
Ateeque Ur-Rehman ( <i>resigned from A&amp;R 21 March 2023</i> )	Trustee	0	2
Jayne Clarke	Trustee	2	3
Dave McEntee	Trustee	2	3
Rebekah Sutcliffe	Trustee	2	3
Alan Thomas ( <i>resigned 30 November 2023</i> )	Hathershaw LGB	0	1
Martin Griffin ( <i>appointed 11 July 2023 – attended a meeting as an observer</i> )	Broadfield LGB	1	1

The Audit and Risk Committee is looking to appoint a new Chair. The meetings were chaired by David McEntee (twice) and Rebekah Sutcliffe (once) during 2022-23.

#### Pay and Remuneration Committee

The Pay and Remuneration Committee is a further sub-committee of the main Trust Board having a full terms of reference. This Committee met once during 2022-23, overseeing pay decisions, approving the Trust's pay policies and carrying out the performance management of executive leaders. The meeting attendance for the Pay and Remuneration Committee is as follows:

Committee Member	Capacity	Meetings attended	Out of a possible
Ateeque Ur-Rehman (Chair)	Trustee	1	1
Jayne Clarke	Trustee	1	1
Irene Howard	Trustee	1	1
Chris Wilson	Trustee	1	1

Jayne Clarke stepped out of the meeting for the agenda item in which her own performance management was discussed.

#### Managing Conflicts of Interest

The Trust primarily mitigates and manages any conflicts of interest through its Conflict of Interest Policy. The Conflicts of Interest Policy defines what is meant by a conflict of interest; explains how they are identified, declared and recorded; and, articulates how they are authorised. The Policy is reviewed by the Trust Board either annually (as a minimum), or where there have been material changes to the relevant courses of business.

A Trust register of business, personal and pecuniary interests is also collated and published each year.

At the start of all Trust Board, Sub Committee and Academy Local Governing Body meetings, all attendees are invited to declare any conflicts of interest or any business, personal or pecuniary interests. Where these exist, Trustees, Committee members of governors cannot participate in the relevant discussion and cannot vote on any course of action to be taken in said regard.

The Trust does not have any trading or other subsidiaries; therefore, it trivially avoids conflicts of interest with regards to control of any subsidiaries, joint ventures or associates.

#### Review of Value for Money

The Executive Principal/CEO, as Accounting Officer, is accountable for ensuring that the Trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to educational and wider societal outcomes, as well as estates safety and management, achieved in return for the taxpayer resources received.

During the academic year 2022-23, The Trust demonstrated achieving best value for money by:

- undergoing a procurement competition for new major capital project bid writing and associated project management services;
- further synergising central services functions and additionally developing the positive working relationships between academy-based staff and central services teams, particularly with the welcome addition of Broadfield Primary School into our Trust;

# THE PINNACLE LEARNING TRUST

## GOVERNANCE STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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- collaborating with a School Resource Management Adviser (SRMA) colleague, to understand how to additionally develop integrated curriculum financial planning (ICFP) within our budgeting methods;
- transitioning a further tranche of our lighting systems from fluorescent lighting to Light Emitting Diodes (LEDs);
- investing in electricity management software; continuing to proactively monitor energy markets; and, utilising expert opinions regarding energy consumption and contracts;
- enhancing the stress testing performed on the Trust's single year budget and three-year financial plan;
- further progressing the Trust's marketing strategy and planning;
- reviewing the quality of curriculum provision; the quality of teaching and learning; and, ensuring that students achieve at least nationally expected progress; and
- in advance of the commencement of The Pinnacle Learning Research School on 1 September 2023, working with the other schools and colleges in their areas to help them use evidence more effectively to inform their teaching through: encouraging schools to make use of evidence-based programmes and practices through regular communication and events; and, through the provision of training and professional development for senior leaders and teachers, on how to improve classroom practice based on the best available evidence.

#### **The Purpose of the System of Internal Control**

The system of internal control is designed to manage risk to a reasonable level, rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The system of internal control has been in place in The Pinnacle Learning Trust for the year ended 31 August 2023 and up to the date of approval of the annual report and financial statements.

#### **Capacity to Handle Risk**

The Board of Trustees has reviewed the key risks to which the Trust is exposed, together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Trust's significant risks that has been in place for the year ended 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

#### **Risk and Control Framework**

The Trust has a comprehensive risk management strategy, strategic risk register and detailed academy level risk registers, all of which have been further reviewed and scrutinised during the academic year. Details of the Trust's risk management strategy are articulated in the Trustees' Report. The risk registers are a standing item of the agenda of the Audit and Risk Committee and the risk management strategy and policy are approved by the Board of Trustees when there have been material changes to the relevant courses of business, but as a minimum, annually.

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- detailed review of cash flow management and liquidity;
- regular reviews by the Finance and Resources Committee of reports which substantiate financial position (in particular cash); observe financial performance against the agreed budgets and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial, operational and other performance;
- delegation of authority and segregation of duties;
- clearly defined procurement and purchasing procedures; and
- identification, measurement and management of risks.

# THE PINNACLE LEARNING TRUST

## GOVERNANCE STATEMENT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### Internal Audit

The Board of Trustees has considered the need for a specific internal audit function and has appointed Wylie and Bisset as internal auditor for the period to 31 August 2025.

The role of the internal auditor is to review the Trust's systems, processes, controls and procedures; to report on their schedules of work to the Audit and Risk Committee; and to provide details of any material control issues arising from their work. If relevant, the internal auditor describes what remedial action needs to be taken to rectify any issues. The Trust's risk registers are key drivers of the internal audit plan.

During 2022-23, the internal audit work provided detailed assurance pieces on: student admissions; staff recruitment; IT systems; and, risk management. The internal auditor also reviewed the progress of other audit actions assigned and recommendations provided, during the previous two years

The internal auditor sits in our Trust's 'third line of defence' regarding risk management.

Recommendations were made by the internal auditor as a result of their assurance work. These recommendations were added as action points (with action owners and action due dates) to the Trust's consolidated master audit action tracker, which is monitored by the Audit and Risk Committee.

There were no significant or material control or other issues reported by the internal auditor during the year and the overall internal auditor opinion was strong. The internal auditor, in particular reported to the Audit and Risk Committee that the risk management framework introduced and developed by our Trust was of the highest standard.

### School Resource Management Adviser (SRMA)

During the academic year, we worked in collaboration with an ESFA School Resource Management Adviser (SRMA), focusing on integrated curriculum financial planning across our four academies. The SRMA collaboration gave us additional assurance on financial control, financial management and financial governance, and does form part of our wider audit, assurance and systems of internal control.

The SRMA also sits in our Trust's 'third line of defence' regarding risk management.


### **Review of Effectiveness**

The Executive Principal/CEO, as the Accounting Officer, has accountability for reviewing the effectiveness of the system of internal control. During the academic year 2022-23, this review has been informed by:

- the work of the internal auditor;
- the work of the external auditor;
- the work of the SRMA;
- the financial management and governance self-assessment process; and
- the work of senior and wider leadership across the Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Board of Trustees on 5 December 2023 and signed on its behalf by:

  
Andrew Kilburn  
Chair of Trustees

  
Jayne Clarke  
Executive Principal/CEO and Accounting Officer

# **THE PINNACLE LEARNING TRUST**

## **STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE**

**FOR THE YEAR ENDED 31 AUGUST 2023**

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As accounting officer of The Pinnacle Learning Trust, I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, 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 2022, including responsibilities for estates safety and management.

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

I confirm that the following instances of material irregularity, impropriety or funding non-compliance discovered to date have been notified to the board of trustees and ESFA. If any instances are identified after the date of this statement, these will be notified to the board of trustees and ESFA:

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.

  
Jayne Clarke  
Accounting Officer

Date: 5 December 2023

# THE PINNACLE LEARNING TRUST

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

**FOR THE YEAR ENDED 31 AUGUST 2023**

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The trustees (who are also the directors of The Pinnacle Learning Trust for the purposes of company law) are responsible for preparing the trustees' report and the accounts in accordance with the Academies Accounts Direction 2022 to 2023 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 5 December 2023 and signed on its behalf by:



Andrew Kilburn  
Chair of Trustees



# THE PINNACLE LEARNING TRUST

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

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### Opinion

We have audited the accounts of The Pinnacle Learning Trust for the year ended 31 August 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the accounts, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023.

### Basis for opinion

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

### Conclusions relating to going concern

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

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

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

### Other information

The other information comprises the information included in the annual report other than the accounts and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the accounts does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the 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 accounts 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.

# THE PINNACLE LEARNING TRUST

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

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### Opinions on other matters prescribed by the Companies Act 2006

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

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

### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report, including the incorporated strategic report.

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

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

### Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error. In preparing the accounts, the trustees are responsible for assessing the academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company, or have no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the accounts

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

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

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

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

- Identify and assess the risks of material misstatement of the group's or the parent charitable company's financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

# THE PINNACLE LEARNING TRUST

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

**FOR THE YEAR ENDED 31 AUGUST 2023**

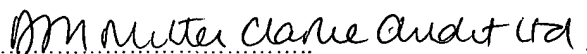
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies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

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

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

### Use of our report

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



Candice Beynon FCCA (Senior Statutory Auditor)  
for and on behalf of DJH Mitten Clarke Audit Limited  
Chartered Accountants

Statutory Auditor

Bridge House  
Ashley Road  
Hale

Altrincham  
WA14 2UT

Date: 5/12/2023

# THE PINNACLE LEARNING TRUST

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

**FOR THE YEAR ENDED 31 AUGUST 2023**

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In accordance with the terms of our engagement letter dated 2 October 2023 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Pinnacle Learning Trust during the period 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

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

The accounting officer is responsible, under the requirements of The Pinnacle Learning Trust's funding agreement with the Secretary of State for Education dated 31 January 2019 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance, and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2022 to 2023. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2022 to 31 August 2023 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

### **Approach**

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

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

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

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

# THE PINNACLE LEARNING TRUST

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

**FOR THE YEAR ENDED 31 AUGUST 2023**

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The work undertaken to draw to our conclusion includes:

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

### Conclusion

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

*DJH Mitten Clarke Audit Ltd*

DJH Mitten Clarke Audit Limited  
Reporting Accountant

Date: *5/12/2023*

# THE PINNACLE LEARNING TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	Unrestricted funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2023 £'000	Total 2022 £'000
<b>Income and endowments from:</b>						
Donations and capital grants	3	-	73	630	703	321
Donations - transfer from local authority on conversion	28	145	17	2,446	2,608	-
Charitable activities:						
- Funding for educational operations	4	-	26,529	-	26,529	23,164
Other trading activities	5	35	187	-	222	153
Investments	6	28	-	-	28	2
<b>Total</b>		<u>208</u>	<u>26,806</u>	<u>3,076</u>	<u>30,090</u>	<u>23,640</u>
<b>Expenditure on:</b>						
Raising funds	7	1	-	-	1	1
Charitable activities:						
- Educational operations	9	-	26,879	1,195	28,074	24,997
<b>Total</b>	7	<u>1</u>	<u>26,879</u>	<u>1,195</u>	<u>28,075</u>	<u>24,998</u>
<b>Net income/(expenditure)</b>		207	(73)	1,881	2,015	(1,358)
Transfers between funds	18	-	(521)	521	-	-
<b>Other recognised gains/(losses)</b>						
Actuarial (losses)/gains on defined benefit pension schemes	20	-	(3,179)	-	(3,179)	19,342
<b>Net movement in funds</b>		207	(3,773)	2,402	(1,164)	17,984
<b>Reconciliation of funds</b>						
Total funds brought forward		<u>1,576</u>	<u>7,683</u>	<u>30,095</u>	<u>39,354</u>	<u>21,370</u>
Total funds carried forward		<u>1,783</u>	<u>3,910</u>	<u>32,497</u>	<u>38,190</u>	<u>39,354</u>

**THE PINNACLE LEARNING TRUST**  
**STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE**  
**ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**  
**(CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2023**

<b>Comparative year information</b>		<b>Unrestricted</b>	<b>Restricted funds:</b>		<b>Total</b>
<b>Year ended 31 August 2022</b>		<b>funds</b>	<b>General</b>	<b>Fixed asset</b>	<b>2022</b>
	<b>Notes</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Income and endowments from:</b>					
Donations and capital grants	3	-	34	287	321
Charitable activities:					
- Funding for educational operations	4	-	23,164	-	23,164
Other trading activities	5	28	125	-	153
Investments	6	2	-	-	2
<b>Total</b>		<b>30</b>	<b>23,323</b>	<b>287</b>	<b>23,640</b>
<b>Expenditure on:</b>					
Raising funds	7	1	-	-	1
Charitable activities:					
- Educational operations	9	-	24,045	952	24,997
<b>Total</b>	<b>7</b>	<b>1</b>	<b>24,045</b>	<b>952</b>	<b>24,998</b>
<b>Net income/(expenditure)</b>		<b>29</b>	<b>(722)</b>	<b>(665)</b>	<b>(1,358)</b>
Transfers between funds	18	-	(323)	323	-
<b>Other recognised gains/(losses)</b>					
Actuarial gains on defined benefit pension schemes	20	-	19,342	-	19,342
<b>Net movement in funds</b>		<b>29</b>	<b>18,297</b>	<b>(342)</b>	<b>17,984</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		1,547	(10,614)	30,437	21,370
Total funds carried forward		1,576	7,683	30,095	39,354

# THE PINNACLE LEARNING TRUST

## BALANCE SHEET

AS AT 31 AUGUST 2023

		2023	2022
	Notes	£'000	£'000
<b>Fixed assets</b>			
Tangible assets	13	32,178	29,597
<b>Current assets</b>			
Debtors	14	960	965
Cash at bank and in hand		6,655	6,993
		<u>7,615</u>	<u>7,958</u>
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	15	(1,577)	(1,499)
<b>Net current assets</b>		<u>6,038</u>	<u>6,459</u>
<b>Total assets less current liabilities</b>		<u>38,216</u>	<u>36,056</u>
Creditors: amounts falling due after more than one year	16	(26)	(37)
<b>Net assets excluding pension asset</b>		<u>38,190</u>	<u>36,019</u>
Defined benefit pension scheme asset	20	-	3,335
<b>Total net assets</b>		<u><u>38,190</u></u>	<u><u>39,354</u></u>
<b>Funds of the academy trust:</b>			
<b>Restricted funds</b>	18		
- Fixed asset funds		32,497	30,095
- Restricted income funds		3,910	4,348
- Pension reserve		-	3,335
<b>Total restricted funds</b>		<u>36,407</u>	<u>37,778</u>
<b>Unrestricted income funds</b>	18	<u>1,783</u>	<u>1,576</u>
<b>Total funds</b>		<u><u>38,190</u></u>	<u><u>39,354</u></u>

The accounts were approved by the trustees and authorised for issue on 5 December 2023 and are signed on their behalf by:

  
 Andrew Kilburn  
 Chair of Trustees

Company registration number 07687135 (England and Wales)



# THE PINNACLE LEARNING TRUST

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	2023 £'000	£'000	2022 £'000	£'000
<b>Cash flows from operating activities</b>					
Net cash provided by operating activities	21		60		1,761
Cash funds transferred on conversion	28		145		-
			<u>205</u>		<u>1,761</u>
<b>Cash flows from investing activities</b>					
Dividends, interest and rents from investments		28		2	
Capital grants from DfE Group		769		(109)	
Capital funding received from sponsors and others		-		4	
Purchase of tangible fixed assets		(1,362)		(866)	
Proceeds from sale of tangible fixed assets		32		-	
		<u></u>		<u></u>	
<b>Net cash used in investing activities</b>			(533)		(969)
<b>Cash flows from financing activities</b>					
Repayment of long term bank loan		(10)		(9)	
		<u></u>		<u></u>	
<b>Net cash used in financing activities</b>			(10)		(9)
<b>Net (decrease)/increase in cash and cash equivalents in the reporting period</b>			(338)		783
Cash and cash equivalents at beginning of the year			6,993		6,210
<b>Cash and cash equivalents at end of the year</b>			<u>6,655</u>		<u>6,993</u>

# THE PINNACLE LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### 1 Accounting policies

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

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

##### 1.1 Basis of preparation

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

##### 1.2 Going concern

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

##### 1.3 Conversion to an academy trust

The conversion from a state maintained school to an academy trust involved the transfer of identifiable assets and liabilities and the operation of the school for £nil consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion from Broadfield Primary School to the academy trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in Donations – transfer from local authority on conversion in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds. Further details of the transaction are set out in note 28.

##### 1.4 Income

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

###### Grants

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

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

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

# THE PINNACLE LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

---

#### 1 Accounting policies

(Continued)

##### Donations

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

##### Other income

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

##### Donated goods, facilities and services

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

##### Donated fixed assets

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

#### 1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

##### Expenditure on raising funds

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

##### Charitable activities

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

# THE PINNACLE LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 1 Accounting policies

(Continued)

##### 1.6 Tangible fixed assets and depreciation

Assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

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

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

##### 1.7 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.

##### 1.8 Leased assets

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

##### 1.9 Financial instruments

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

###### Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

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

# THE PINNACLE LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### 1 Accounting policies

(Continued)

##### Financial liabilities

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

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

#### 1.10 Taxation

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

#### 1.11 Pensions benefits

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

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

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

#### 1.12 Fund accounting

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

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

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

# THE PINNACLE LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 1 Accounting policies

(Continued)

#### 1.13 Agency accounting

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

### 2 Critical accounting estimates and areas of judgement

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

#### Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

### 3 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000	Total 2022 £'000
RPA insurance claims	-	34	34	4
Capital grants	-	599	599	283
Supply teacher insurance	-	70	70	31
Other donations	-	-	-	3
	<u>-</u>	<u>703</u>	<u>703</u>	<u>321</u>

# THE PINNACLE LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 4 Funding for the academy trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000	Total 2022 £'000
<b>DfE/ESFA grants</b>				
General annual grant (GAG)	-	22,659	22,659	19,702
Other DfE/ESFA grants:				
- UFSM	-	83	83	47
- Pupil premium	-	729	729	593
- Teachers' pay and pension grants	-	464	464	617
- Others	-	1,414	1,414	1,240
	-	25,349	25,349	22,199
<b>Other government grants</b>				
Local authority grants	-	989	989	673
<b>Other incoming resources</b>	-	191	191	292
<b>Total funding</b>	-	26,529	26,529	23,164

Local authority grants comprise high needs funding £605,000 (2022: £616,000), Early Years Funding of £195,000 (2022: £48,000), other grants £nil (2022: £9,000) and free school meals £189,000.

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

### 5 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000	Total 2022 £'000
Hire of facilities	20	-	20	23
Catering income	-	70	70	25
Other income	15	117	132	105
	35	187	222	153

### 6 Investment income

	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000	Total 2022 £'000
Short term deposits	28	-	28	2

# THE PINNACLE LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 7 Expenditure

	Staff costs £'000	Non-pay expenditure Premises £'000	Other £'000	Total 2023 £'000	Total 2022 £'000
Expenditure on raising funds					
- Direct costs	-	-	1	1	1
Academy's educational operations					
- Direct costs	17,129	-	3,050	20,179	16,950
- Allocated support costs	3,579	3,347	969	7,895	8,047
	<u>20,708</u>	<u>3,347</u>	<u>4,020</u>	<u>28,075</u>	<u>24,998</u>

Net income/(expenditure) for the year includes:

	2023 £'000	2022 £'000
Operating lease rentals	39	28
Depreciation of tangible fixed assets	1,179	952
Loss on disposal of fixed assets	16	-
Fees payable to auditor for:		
- Audit	16	13
- Other services	3	3
Net interest on defined benefit pension liability	(136)	246
	<u></u>	<u></u>

### 8 Central services

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

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

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

- 5% of General Annual Grant

The amounts charged during the year were as follows:

	2023 £'000	2022 £'000
Oldham Sixth Form College	742	546
The Hathershaw College	381	351
Werneth Primary School	99	88
Broadfield Primary School	-	-
	<u>1,222</u>	<u>985</u>



# THE PINNACLE LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 9 Charitable activities

	2023	2022
All from restricted funds:	£'000	£'000
<b>Direct costs</b>		
Educational operations	20,179	16,950
<b>Support costs</b>		
Educational operations	7,895	8,047
	<u>28,074</u>	<u>24,997</u>
<b>Analysis of costs</b>	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
<b>Direct costs</b>		
Teaching and educational support staff costs	17,165	15,546
Staff development	34	26
Technology costs	381	298
Educational supplies and services	1,587	350
Examination fees	719	589
Educational consultancy	293	141
	<u>20,179</u>	<u>16,950</u>
<b>Support costs</b>		
Support staff costs	3,609	4,092
Depreciation	1,195	952
Technology costs	7	4
Maintenance of premises and equipment	544	414
Cleaning	491	401
Energy costs	805	349
Rent, rates and other occupancy costs	207	190
Insurance	87	72
Security and transport	38	39
Catering	303	256
Interest on defined benefit pension scheme	(136)	246
Legal costs	93	51
Other support costs	627	957
Governance costs	25	24
	<u>7,895</u>	<u>8,047</u>

# THE PINNACLE LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 10 Staff

#### Staff costs

Staff costs during the year were:

	2023 £'000	2022 £'000
Wages and salaries	15,492	13,004
Social security costs	1,485	1,365
Pension costs	3,410	4,760
Staff costs - employees	20,387	19,129
Agency staff costs	299	421
Staff restructuring costs	22	50
Staff development and other staff costs	100	64
Total staff expenditure	20,808	19,664
Staff restructuring costs comprise:		
Severance payments	22	50

#### Severance payments

The academy trust paid 3 severance payments in the year, disclosed in the following bands:

£0 - £25,000      3

#### Special staff severance payments

Included in staff restructuring costs are non-contractual severance payments totalling £22,000 (2022: £50,000). Individually, the payments were £3,000, £9,000 and £10,000.

#### Staff numbers

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

	2023 Number	2022 Number
Teachers	225	203
Administration and support	248	191
Management	26	24
	499	418

# THE PINNACLE LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 10 Staff

(Continued)

##### Higher paid staff

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

	2023 Number	2022 Number
£60,000 - £70,000	12	9
£70,001 - £80,000	3	2
£80,001 - £90,000	1	2
£90,001 - £100,000	1	1
£100,001 - £110,000	2	1
£130,001 - £140,000	-	1
£140,001 - £150,000	1	-

##### Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of key management personnel employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £967,992 (2022: £767,520).

The trust redefined the employees classed as key management personnel during 2022-23 resulting in an increase in the number of employees to be included in the calculation, and resulting in a higher total cost than the previous year.

#### 11 Trustees' remuneration and expenses

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

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

J Clarke (CEO and Executive principal - Oldham Sixth Form College)  
Remuneration £140,001 - £145,000 (2022: £135,001 - £140,000)  
Employers' pension contributions - £30,001 - £35,000 (2022: £30,001 - £35,000)

During the period ended 31 August 2023, travel and subsistence expenses totaling £557 (2022: £199) were reimbursed or paid directly to 1 trustee (2022: 1 trustees).

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

#### 12 Trustees' and officers' insurance

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

# THE PINNACLE LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 13 Tangible fixed assets

	Land & & buildings £'000	Leasehold land & buildings £'000	Assets under construction £'000	Computer equipment £'000	Fixtures & fittings £'000	Motor vehicles £'000	Total £'000
<b>Cost</b>							
At 1 September 2022	11,823	18,665	231	3,394	2,250	22	36,385
Cost transfer	19,346	(18,665)	(681)	-	-	-	-
Transfer of school joining	2,446	-	-	-	-	-	2,446
Additions	139	-	577	332	314	-	1,362
Disposals	(46)	-	-	-	-	-	(46)
At 31 August 2023	33,708	-	127	3,726	2,564	22	40,147
<b>Depreciation</b>							
At 1 September 2022	1,970	1,807	-	1,782	1,219	10	6,788
Depreciation transfer	1,807	(1,807)	-	-	-	-	-
On disposals	2	-	-	-	-	-	2
Charge for the year	589	-	-	459	129	2	1,179
At 31 August 2023	4,368	-	-	2,241	1,348	12	7,969
<b>Net book value</b>							
At 31 August 2023	29,340	-	127	1,485	1,216	10	32,178
At 31 August 2022	9,853	16,858	231	1,612	1,031	12	29,597

The net book value of land and buildings comprises:

	2023 £'000	2022 £'000
Freeholds	9,852	10,148
Long leaseholds (over 50 years)	19,488	16,858

Transactions relating to land and buildings during the year include:

- the part disposal of land at The Hathershaw College by the academy trust at a value of £30,000.

### 14 Debtors

	2023 £'000	2022 £'000
Trade debtors	42	18
VAT recoverable	319	372
Prepayments and accrued income	599	575
	960	965

# THE PINNACLE LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 15 Creditors: amounts falling due within one year

	2023 £'000	2022 £'000
Government loans	10	9
Trade creditors	493	262
ESFA creditors	71	69
Other creditors	697	759
Accruals and deferred income	306	400
	<u>1,577</u>	<u>1,499</u>

### 16 Creditors: amounts falling due after more than one year

	2023 £'000	2022 £'000
Government loans	<u>26</u>	<u>37</u>

Analysis of loans	2023 £'000	2022 £'000
Wholly repayable within five years	36	46
Less: included in current liabilities	<u>(10)</u>	<u>(9)</u>
Amounts included above	<u>26</u>	<u>37</u>

#### Loan maturity

Debt due in one year or less	10	9
Due in more than one year but not more than two years	10	10
Due in more than two years but not more than five years	12	26
Due in more than five years	<u>4</u>	<u>1</u>
	<u>36</u>	<u>46</u>

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

# THE PINNACLE LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 17 Deferred income

	2023 £'000	2022 £'000
Deferred income is included within:		
Creditors due within one year	141	106
	<u>141</u>	<u>106</u>
Deferred income at 1 September 2022	106	229
Released from previous years	(106)	(229)
Resources deferred in the year	141	106
	<u>141</u>	<u>106</u>
Deferred income at 31 August 2023	141	106

Deferred income is in relation to specialist equipment T-level funding £83,000 (2022: £106,000), business rates £12,000, two year old income £30,000 and trip income in relation to 2023-24 for £16,000.

# THE PINNACLE LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 18 Funds

	Balance at 1 September 2022 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2023 £'000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	4,266	22,659	(22,500)	(521)	3,904
UIFSM	-	83	(83)	-	-
Pupil premium	27	729	(750)	-	6
Other DfE/ESFA grants	30	1,878	(1,908)	-	-
Other government grants	-	989	(989)	-	-
Other restricted funds	25	451	(476)	-	-
Pension reserve	3,335	17	(173)	(3,179)	-
	<u>7,683</u>	<u>26,806</u>	<u>(26,879)</u>	<u>(3,700)</u>	<u>3,910</u>
<b>Restricted fixed asset funds</b>					
Inherited on conversion	23,076	2,446	(555)	-	24,967
DfE group capital grants	6,047	630	(557)	-	6,120
Capital expenditure from GAG	679	-	(15)	521	1,185
Private sector capital sponsorship	293	-	(68)	-	225
	<u>30,095</u>	<u>3,076</u>	<u>(1,195)</u>	<u>521</u>	<u>32,497</u>
<b>Total restricted funds</b>	<u>37,778</u>	<u>29,882</u>	<u>(28,074)</u>	<u>(3,179)</u>	<u>36,407</u>
<b>Unrestricted funds</b>					
General funds	<u>1,576</u>	<u>208</u>	<u>(1)</u>	<u>-</u>	<u>1,783</u>
<b>Total funds</b>	<u>39,354</u>	<u>30,090</u>	<u>(28,075)</u>	<u>(3,179)</u>	<u>38,190</u>

# THE PINNACLE LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### 18 Funds

(Continued)

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

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

The pension value as at 31 August 2023 has been determined by the actuary which is showing the academy trust as having a pension asset as at 31 August 2023. In accordance with applicable accounting standards, the asset value has been capped at an asset ceiling value of £nil on the basis that the academy trust has minimum funding requirements existing for future service. Although a pension asset is arising, this does not create an immediately realisable asset that can be expended for the specific purposes of the pension fund.

Restricted fixed asset funds are those funds relating to the long term assets of the academy trust used in delivering the objectives of the academy trust. The restricted fixed asset fund represents the net book value of fixed assets of £32,178,000 plus unspent capital grant income of £298,000. The trust is holding £298,000 of monies from the Condition Improvement Fund in the fixed asset fund as at 31 August 2023. This relates to projects that were in progress at the year end but for which the full grant has been recognised as income for the year ended 31 August 2023.

The transfer of £521,000 from the General Annual Grant restricted general fund to restricted fixed asset funds is to meet the cost of fixed asset additions for which revenue contributions to capital have been made.

Unrestricted funds are those funds which the Board of Trustees may use in the pursuance of the academy trust's objectives and are expendable at the discretion of the Trustees.

Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2023.



# THE PINNACLE LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 18 Funds

(Continued)

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

	Balance at 1 September 2021 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2022 £'000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	3,496	19,702	(18,609)	(323)	4,266
UIFSM	-	47	(47)	-	-
Pupil premium	-	593	(566)	-	27
Other DfE/ESFA grants	-	1,857	(1,827)	-	30
Other government grants	-	673	(673)	-	-
Other restricted funds	-	451	(426)	-	25
Pension reserve	(14,110)	-	(1,897)	19,342	3,335
	<u>(10,614)</u>	<u>23,323</u>	<u>(24,045)</u>	<u>19,019</u>	<u>7,683</u>
<b>Restricted fixed asset funds</b>					
Inherited on conversion	23,606	-	(530)	-	23,076
DfE group capital grants	6,117	283	(353)	-	6,047
Capital expenditure from GAG	357	-	(1)	323	679
Private sector capital sponsorship	357	4	(68)	-	293
	<u>30,437</u>	<u>287</u>	<u>(952)</u>	<u>323</u>	<u>30,095</u>
<b>Total restricted funds</b>	<u>19,823</u>	<u>23,610</u>	<u>(24,997)</u>	<u>19,342</u>	<u>37,778</u>
<b>Unrestricted funds</b>					
General funds	<u>1,547</u>	<u>30</u>	<u>(1)</u>	<u>-</u>	<u>1,576</u>
<b>Total funds</b>	<u>21,370</u>	<u>23,640</u>	<u>(24,998)</u>	<u>19,342</u>	<u>39,354</u>

# THE PINNACLE LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 18 Funds

(Continued)

#### Total funds analysis by academy

	2023	2022
	£'000	£'000
Fund balances at 31 August 2023 were allocated as follows:		
Oldham Sixth Form College	4,171	4,272
The Hathershaw College	599	949
Werneth Primary School	725	656
Broadfield Primary School	119	-
Central services	79	47
	<u>5,693</u>	<u>5,924</u>
Total before fixed assets fund and pension reserve	5,693	5,924
Restricted fixed asset fund	32,497	30,095
Pension reserve	-	3,335
	<u>38,190</u>	<u>39,354</u>
Total funds	<u>38,190</u>	<u>39,354</u>

#### Total cost analysis by academy

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

	Teaching and educational support staff £'000	Other support staff costs £'000	Educational supplies £'000	Other costs excluding depreciation £'000	Total 2023 £'000	Total 2022 £'000
Oldham Sixth Form College	8,914	1,184	212	3,459	13,769	12,890
The Hathershaw College	5,984	623	437	1,217	8,261	7,777
Werneth Primary School	1,795	206	140	383	2,524	2,438
Broadfield Primary School	685	124	65	125	999	-
Central services	417	742	10	157	1,326	940
	<u>17,795</u>	<u>2,879</u>	<u>864</u>	<u>5,341</u>	<u>26,879</u>	<u>24,045</u>

### 19 Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
Fund balances at 31 August 2023 are represented by:				
Tangible fixed assets	-	-	32,178	32,178
Current assets	1,783	5,513	319	7,615
Current liabilities	-	(1,577)	-	(1,577)
Non-current liabilities	-	(26)	-	(26)
Total net assets	<u>1,783</u>	<u>3,910</u>	<u>32,497</u>	<u>38,190</u>

# THE PINNACLE LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 19 Analysis of net assets between funds

(Continued)

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
<b>Fund balances at 31 August 2022 are represented by:</b>				
Tangible fixed assets	-	-	29,597	29,597
Current assets	1,576	5,884	498	7,958
Current liabilities	-	(1,499)	-	(1,499)
Non-current liabilities	-	(37)	-	(37)
Pension scheme asset	-	3,335	-	3,335
<b>Total net assets</b>	<b>1,576</b>	<b>7,683</b>	<b>30,095</b>	<b>39,354</b>

### 20 Pension and similar obligations

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

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

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

#### Teachers' Pension Scheme

##### Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for teachers in academy trusts. 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 PINNACLE LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 20 Pension and similar obligations

(Continued)

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to the TPS in the period amounted to £2,247,000 (2022: £2,392,000).

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

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

#### Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 16.5% to 19.0% for employers and 5.5% to 9.9% for employees.

As described in note 28 the LGPS obligation relates to the employees of the academy trust, being the employees transferred as part of the conversion from the maintained school and new employees who joined the scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy trust at the balance sheet date.

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 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on GOV.UK.

Total contributions made	2023 £'000	2022 £'000
Employer's contributions	882	717
Employees' contributions	296	241
Total contributions	<u>1,178</u>	<u>958</u>

# THE PINNACLE LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 20 Pension and similar obligations (Continued)

Principal actuarial assumptions	2023 %	2022 %
Rate of increase in salaries	3.80	3.80
Rate of increase for pensions in payment/inflation	3.00	3.05
Discount rate for scheme liabilities	5.20	4.25

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

	2023 Years	2022 Years
Retiring today		
- Males	20.3	20.3
- Females	24.3	23.2
Retiring in 20 years		
- Males	21.2	21.6
- Females	24.9	25.1

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

#### Werneth Primary School:

Change in assumptions at 31 August 2023	Approximate % increase to employer liability	Approximate monetary amount £000
0.1% decrease in real discount rate	2%	60
1 year increase in member life expectancy	4%	109
0.1% increase in the salary increase rate	0%	9
0.1% increase in the pension increase rate	2%	52

#### Oldham 6th Form College:

Change in assumptions at 31 August 2023	Approximate % increase to employer liability	Approximate monetary amount £000
0.1% decrease in real discount rate	2%	254
1 year increase in member life expectancy	4%	465
0.1% increase in the salary increase rate	0%	32
0.1% increase in the pension increase rate	2%	227

#### The Hathershaw College:

Change in assumptions at 31 August 2023	Approximate % increase to employer liability	Approximate monetary amount £000
0.1% decrease in real discount rate	2%	175
1 year increase in member life expectancy	4%	291
0.1% increase in the salary increase rate	0%	18
0.1% increase in the pension increase rate	2%	161

# THE PINNACLE LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 20 Pension and similar obligations

(Continued)

##### Broadfield Primary School:

Change in assumptions at 31 August 2023	Approximate % increase to employer liability	Approximate monetary amount £000
0.1% decrease in real discount rate	3%	34
1 year increase in member life expectancy	4%	53
0.1% increase in the salary increase rate	0%	6
0.1% increase in the pension increase rate	2%	29

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

	2023 Fair value £'000	2022 Fair value £'000
Equities	21,225	18,654
Government bonds	4,245	3,846
Cash and other liquid assets	2,426	2,198
Property	2,426	2,772
Total market value of assets	30,322	27,470

The actual return on scheme assets was £685,000 (2022: £359,000).

##### Amount recognised in the statement of financial activities

	2023 £'000	2022 £'000
Current service cost	1,191	2,368
Interest income	(1,209)	(443)
Interest cost	1,073	689
Total operating charge	1,055	2,614

##### Changes in the present value of defined benefit obligations

	2023 £'000	2022 £'000
At 1 September 2022	24,135	40,694
Obligations acquired on conversion	1,459	-
Current service cost	1,191	2,368
Interest cost	1,073	689
Employee contributions	296	241
Actuarial loss/(gain)	2,655	(19,426)
Benefits paid	(487)	(431)
At 31 August 2023	30,322	24,135

# THE PINNACLE LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 20 Pension and similar obligations

(Continued)

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

	2023 £'000	2022 £'000
At 1 September 2022	27,470	26,584
Assets acquired on conversion	1,476	-
Interest income	1,209	443
Actuarial loss	(524)	(84)
Employer contributions	882	717
Employee contributions	296	241
Benefits paid	(487)	(431)
At 31 August 2023	30,322	27,470

The pension value as at 31 August 2023 has been determined by the actuary which is showing the academy trust as having a pension asset as at 31 August 2023. In accordance with applicable accounting standards, the asset value has been capped at an asset ceiling value of £nil on the basis that the academy trust has minimum funding requirements existing for future service. Although a pension asset is arising, this does not create an immediately realisable asset that can be expended for the specific purposes of the pension fund.

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

	Notes	2023 £'000	2022 £'000
Net income/(expenditure) for the reporting period (as per the statement of financial activities)		2,015	(1,358)
Adjusted for:			
Net surplus on conversion to academy	28	(2,608)	-
Capital grants from DfE and other capital income		(630)	(287)
Investment income receivable	6	(28)	(2)
Defined benefit pension costs less contributions payable	20	309	1,651
Defined benefit pension scheme finance (income)/cost	20	(136)	246
Depreciation of tangible fixed assets		1,179	952
Loss on disposal of fixed assets		16	-
(Increase)/decrease in debtors		(134)	671
Increase/(decrease) in creditors		77	(112)
Net cash provided by operating activities		60	1,761

# THE PINNACLE LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 22 Analysis of changes in net funds

	1 September 2022 £'000	Cash flows £'000	31 August 2023 £'000
Cash	6,993	(338)	6,655
Loans falling due within one year	(9)	(1)	(10)
Loans falling due after more than one year	(37)	11	(26)
	<u>6,947</u>	<u>(328)</u>	<u>6,619</u>

### 23 Long-term commitments

#### Operating leases

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

	2023 £'000	2022 £'000
Amounts due within one year	45	8
Amounts due in two and five years	73	38
	<u>118</u>	<u>46</u>

### 24 Capital commitments

	2023 £'000	2022 £'000
Expenditure contracted for but not provided in the accounts	<u>832</u>	<u>521</u>

The academy trust had 3 major projects in progress at the year end and the outstanding commitment at 31 August 2023 was £832,000. This is funded by grants from the Condition Improvement Fund.



# THE PINNACLE LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### 25 Related party transactions

Owing to the nature of the academy trust's operations 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 academy trust has an interest. The following related party transactions took place in the financial period:

The academy trust purchased services from The Sixth Form Colleges Association during the year ending 31 August 2023 amounting to £22,245 (2022: £23,798). The Executive Principal Jayne Clarke is also a director of The Sixth Form Colleges Association. At the balance sheet date no amounts were owed by the academy trust. In entering into the transaction, the academy has complied with the requirements of the Academy Trust Handbook 2022.

The academy trust purchased services from Oldham Athletic Community Trust during the year ending 31 August 2023 amounting to £14,625 (2022: £20,218). The Principal at Werneth Primary School, Jonathan Bell, is also a director of Oldham Athletic Community Trust. At the balance sheet date no amounts were owed by the academy trust. In entering into the transaction, the academy has complied with the requirements of the Academy Trust Handbook 2022.

The academy trust purchased services from Pearson Solicitors and Financial Advisors during the year ending 31 August 2023 amounting to £5,517 (2022: £nil). Trustee Michael Pitt is also a director of Pearson Solicitors and Financial Advisors. At the balance sheet date no amounts were owed by the academy trust. In entering into the transaction, the academy has complied with the requirements of the Academy Trust Handbook 2022.

The Executive Principal, Jayne Clarke, is also a trustee of Radcliffe Co-operative Learning trust and during the year Oldham Sixth Form College supplied services amounting to £250 (2022: £700). At the balance sheet date no amounts were outstanding.

#### 26 Members' liability

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

#### 27 Agency arrangements

The academy trust distributes 16-19 bursary funds and free meals funds to students as an agent for ESFA. In the year ended 31 August 2023 the academy trust received £973,403 (2022: £742,542) and disbursed £1,035,259 (2022: £485,554) from the fund. An amount of £697,424 (2022: £759,280) is included within other creditors being undistributed funds that are repayable to the ESFA.

# THE PINNACLE LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 28 Conversion to an academy

On 1 April 2023 Broadfield Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Pinnacle Learning Trust from the Oldham Council for £nil consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair values and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net loss in the statement of financial activities as donations – transfer from local authority on conversion.

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

Academy	Location	Date of conversion		
Broadfield Primary School	Oldham, Greater Manchester, OL8 1LH	1 April 2023		
	Unrestricted funds £'000	General £'000	Restricted funds: Fixed asset £'000	Total 2023 £'000
<b>Net assets transferred:</b>				
Other tangible fixed assets	-	-	2,446	2,446
Cash	145	-	-	145
Pension scheme surplus	-	17	-	17
	<u>145</u>	<u>17</u>	<u>2,446</u>	<u>2,608</u>
	Unrestricted funds £'000	General £'000	Restricted funds: Fixed asset £'000	Total 2023 £'000
<b>Funds surplus/(deficit) transferred:</b>				
Fixed assets funds	-	-	2,446	2,446
LA budget funds	145	-	-	145
LGPS pension funds	-	17	-	17
	<u>145</u>	<u>17</u>	<u>2,446</u>	<u>2,608</u>