

Company Registration Number: 07670511 (England & Wales)

PATHFINDER SCHOOLS
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

PATHFINDER SCHOOLS
(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS

| | |
|--|--|
| Members | Mrs J Moore (resigned 31 August 2020) Mrs L Pruden (resigned 31 August 2020) Mr A Bindley (resigned 31 August 2020) Peterborough Diocese Church Schools Mr D Mills (appointed 1 September 2020) Mr P Davies (appointed 1 September 2020) Mrs D Simpson Lane (appointed 1 September 2020) |
| Trustees | Mrs J Moore Mr A Bindley Mrs L Pruden, Chair Mrs A Davey*, Accounting Officer Mr C Charteris Mr A Cummings Mrs J Edwards Mrs J Woods Mrs A Ashcroft (appointed 14 October 2019, resigned 14 June 2020) Mr K Malde (appointed 19 September 2019) Mrs M Mottram (appointed 8 October 2019) Mrs C Green (appointed 13 July 2020) |
| Company registered number | 07670511 |
| Company name | Pathfinder School |
| Principal and registered office | Greening Road Rothwell Kettering Northamptonshire NN14 6BB |
| Company secretary | Mr P Leaver* |

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

Local Governing Bodies

Mrs S Perkins, (Chair of Governors, Montsaye Academy to 30 September 2019)
Mrs A Lloyd, (Chair of Governors, Montsaye Academy from 30 September 2019)
Mrs M Gabbi*, (Montsaye Academy Principal)
Mrs H Henry, (Chair of Governors, Havelock Schools)
Mrs R Kiziak, (Executive Head, Havelock Schools)
Mr M Tooley, (Chair of Governors, Loatlands Primary School)
Mrs L Buckley*, (Head, Loatlands Primary School)
Mrs S Short, (Chair of Governors, Rushton Primary School)
Mrs A Willis *, (Head, Rushton Primary School)
Mr G Tomkins, (Chair of Governors, Rothwell Victoria Primary Learning Partnership)
Mr A Izzard Snape*, (Executive Head, Rothwell Victoria Primary Learning Partnership)
Mrs C Holden, (Chair of Governors, Wilbarston C of E Primary School)
Mrs A Green*, (Head, Wilbarston CofE Primary School)
Mrs J Brookes, (Chair of Governors, Hawthorn Community Primary School)
Mrs J Clubley*, (Head, Hawthorn Community Primary School)

* Identified as senior management team

Independent auditor

Mazars LLP
Chartered Accountants
6 Dominus Way
Meridian Business Park
Leicester
LE19 1RP

Bankers

Lloyds Banking Group
3-4 Market Street
Kettering
Northamptonshire
NN16 0AH

Solicitors

Winckworth Sherwood LLP
Minerva House
5 Montague Close
London
SE1 9BB

PATHFINDER SCHOOLS
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year ended 31 August 2020. The Annual Report serves the purposes of both a trustees' report, and a directors' report under company law.

The Trust operates 8 primary schools, 1 secondary school and a trading subsidiary called the Montsaye Community Sports Centre Limited all serving Rothwell, Desborough, Kettering and surrounding villages in north of Northamptonshire. The MAT has a combined student capacity of 3,938 (including nursery places) and had 3,202 on roll in the Spring 2020 census.

Structure, governance and management

a. Constitution

The Academy Trust is a company limited by guarantee (registration number 07670511) and an exempt charity.

The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The Trustees of Pathfinder Schools are also the directors of the charitable company for the purposes of company law. The charitable company is known as Pathfinder Schools having changed company name from Montsaye Community Learning Partnership in May 2019. Montsaye Community Sports Centre Limited (registration number 08239294) is a separate trading subsidiary and is wholly owned by the Trust.

The Members of the company comprise the Chair of Governors at Montsaye Academy, the Chair of the Trust Board, the Chair of the former Strategic Advisory Board and the Peterborough Diocese Church Schools Trust. In January 2017, the Strategic Advisory Board was dissolved and the incumbent Chair remained as a member. From 1 September 2020, members will no longer be tied to appointments elsewhere in the Trust and will be new, independent members. The diocesan member will remain unchanged.

The Trust has a Scheme of Delegation in place that empowers the affairs of the organisation to be managed through the Trust Board that contains eleven Trustees. The Trustees are supported and advised by the committees including Local Governing Bodies from each of the constituent schools who are:

| | | |
|--------------------------|----------------------------------|-----------------------------------|
| Montsaye Academy | Havelock Infant School | Havelock Junior School |
| Loatlands Primary School | Rothwell Junior School | Rothwell Victoria Infant School |
| Rushton Primary School | Wilbarston C of E Primary School | Hawthorn Community Primary School |

Rothwell Victoria Infant School and Rothwell Junior School have federated as Rothwell Victoria Primary Learning Partnership as have Havelock Infant School and Havelock Junior School have federated as Havelock Schools, the remaining schools each having a Local Governing Body.

Details of who served the Partnership throughout the period are included in the Reference and Administrative details on pages 1 and 2.

b. Members' liability

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

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

Structure, governance and management (continued)

c. Trustees' indemnities

A Trustee and a member of any Local Governing Body may benefit from any indemnity insurance purchased at the Trust's expense to cover the liability of the Trustees and members of the Local Governing Body which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Trust: Provided that any such insurance shall not extend to: (i) any claim arising from any act or omission which Trustees or the Local Governing Body knew to be a breach of trust or breach of duty or which was committed by the Trustees or members of the Local Governing Body in reckless disregard to whether it was a breach of trust or breach of duty or not; and (ii) the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees or the Local Governing Body in their capacity as Trustees of the Company. Further, this Article does not authorise a Trustee or a member of a Local Governing Body to benefit from any indemnity insurance that would be rendered void by any provision of the Companies Act 2006, the Charities Act 2011 or any other provision of law.

d. Method of recruitment and appointment or election of Trustees

The members of the Trust were appointed by election from the members of the antecedent Trust. Three of the positions are tied to appointments within the Trust and are stated in the Reference details. From 1 September 2020, three new independent Members will replace the tied appointments.

The members may agree unanimously in writing to appoint such additional members as they think fit in accordance with the Articles.

The recruitment of new members is a process controlled by the members, in consultation with the Trust Board, which is handled through the medium of general meetings. The recruitment of the initial Trustees for the Multi Academy Trust was conducted by a panel of governors from schools within the proposed Multi Academy Trust and approved by the members. During the year the Trust has recruited a number of new Trustees; some sourced locally and some through our arrangement with Academy Ambassadors. The Trust continues to seek additional Trustees to supplement the skills of the existing Trustees.

Additional and co-opted Trustees may be appointed by the Trustees in accordance with the Articles of Association which require there to be a minimum of three Trustees. The Trust requires that relevant professional advisors are consulted where necessary, in the process of recruitment to ensure that the Trustees possess the necessary skills and experience. In year, this process is supported using the expertise of the New Schools Network to identify suitable candidates.

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

The initial Trustees were all serving on governing bodies before conversion to Multi Academy Trust status, some with prior experience as Trustees and members. Trustees have attended briefings provided by professional legal and financial advisors concentrating on the aspects of Company Law and Charities Law that affect their roles as Trustees as well as specific financial responsibilities derived from the Academies Financial Handbook.

There have been four new Trustees during the year.

The clerk to the Trustees is responsible for arranging a programme of induction and training. Typically this is provided internally by Trust staff but is complemented by professional legal and financial advisors, external courses and meetings. The Trust has purchased an online governance training package that is suitable for Trustees and Local Governing Bodies on the more general aspects of school governance as well as membership of the National Governance Association to supplement development.

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

Structure, governance and management (continued)

f. Organisational structure

The Members have overall responsibility for the Trust. Through the Scheme of Delegation, the decision making for the Trust has been delegated to the Trustees on the Trust Board with the members retaining the responsibility to amend the governing instruments of the Trust only.

The Trust Board has overall responsibility and ultimate decision making authority for all the work of the Trust, including the establishing and running of schools. This is largely exercised through strategic planning and the setting of policy. It is managed through business planning, monitoring of budgets, performance management, the setting of standards and the implementation of quality management processes. The Trust Board has the power to direct change where required.

Operational management is delegated through the Scheme of Delegation to the Local Governing Bodies including their Principal/Head Teachers and senior managers. The appointment of Chief Executive Officer was made full time from September 2019 and this role also encompasses the role of Accounting Officer.

The Trust structure also encompasses two strategic committees which are made up of the Principals/Heads and Chair of Governors of each constituent school. It provides a non executive function advising the Trustees on matters affecting all schools within the MAT and any localised issues.

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

The MAT has remained with the national terms and conditions for all teachers and support staff including those that are key management personnel. Each school has a pay committee, supported by independent professional advisors for headteachers, to determine the pay and remuneration arrangements for all key management personnel.

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

Structure, governance and management (continued)

h. Trade union facility time

Relevant union officials

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

Percentage of time spent on facility time

| Percentage of time | Number of employees |
|---------------------------|----------------------------|
| 0% | - |
| 1%-50% | 6 |
| 51%-99% | - |
| 100% | - |

Percentage of pay bill spent on facility time £000

| | |
|---|-------|
| Total cost of facility time | 3 |
| Total pay bill | 9,440 |
| Percentage of total pay bill spent on facility time | 0.03% |

Paid trade union activities

| | |
|---|-------|
| Time spent on paid trade union activities as a percentage of total paid facility time hours | 2.38% |
|---|-------|

i. Connected organisations, including related party relationships

The Trust has a number of informal arrangements with other academies and Trusts with an aim to improve standards. There are no formal collaborations.

Montsaye Community Sports Centre Ltd (Company number 08239294) is a wholly owned trading subsidiary of the Trust.

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

Structure, governance and management (continued)

j. Engagement with employees (including disabled persons)

The Trust has an established mechanism for communication with its schools and staff. In most cases this is disseminated through the Headteacher of individual schools. The CEO provides all staff with a termly newsletter providing important information, this is supported by guidance documents/email notifications further to changes to guidance/legislation/internal procedures or employment. Since March 2020 Pathfinder Schools has also launched a wellbeing publication which is shared with all staff, and addresses areas which may be a concern for staff in the workplace.

Where the Trust wishes to make permanent changes to procedures/policies/operations a formal consultation process is adopted which provides staff and recognised trade unions with the opportunity to form part of the decision making process. Their feedback is taken account of when final decisions are made, unions/staff are advised of how their feedback has adjusted proposals or where this has not been possible the reasons.

The Trust has recently established an internal committee where the CEO and HR Manager meet with internal union representatives to discuss any feedback/concerns/questions raised by staff. This was established in response to the Coronavirus pandemic and due to its effectiveness we are investigating a more formal committee.

The Trust undertakes surveys with its staff on at least an annual basis, these range from their views on their experience as an employee, wellbeing, health and safety and the environment. The outcome of which is used to support the Trusts development plans.

The Trust is committed to its values of collaboration, humanity and independence, these are embedded across all our schools and key staff processes draw back on our performance against these values. For example, this is a key feature of our staff Performance Appraisal Process, to support staff understand how their performance contributes towards our overall performance as a Trust.

The Trust gained Disability Confident Committed accreditation in December 2019, this scheme supports us in ensuring that our recruitment practices are fully inclusive, this includes providing accessible recruitment documentation, providing named contacts for assistance and support for participating in and interviews. We aim to minimise barriers that may impact on individuals with disabilities applying for our jobs. Our recruitment adverts are concise and clear. We advertise our Disability Confident Badge on our application forms and our website so staff and potential applicants know that we are an inclusive employer.

As a Trust we are committed to promoting a culture of being disability confident, we encourage staff to be open and discuss their needs, and where they have an existing disability, acquire a disability or worsening condition we work with that individual, Occupational Health and medical professionals and Access to Work to establish reasonable adjustments to support them in their post and continuing employment. We also run Trust wide events such as Time to Talk Day, where we encourage staff to talk about their mental health and provided resources and refreshments to support their activities.

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

Structure, governance and management (continued)

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

Under normal circumstances, the Trust seeks to promote positive working relationships with preferred suppliers who typically come from Public Sector Purchasing Organisations for larger contracts, or locally sourced, vetted and trusted suppliers with a track record of quality service whilst mindful of the Trust's requirement to seek best value. Central contracts for the Trust are managed by the CFO who has regular account meetings with key suppliers to ensure the Trust continues to receive best value from its contracts.

During the lockdown, the Trust worked with key suppliers in accordance with the Public Procurement Notices issue to ensure the suppliers would be able to resume normal service as schools return in September 20.

The main customers in business terms are those of the Community Sports Centre. Managers here engage with customers through multiple platforms including e-mail, text and telephone as well as social media to ensure customers are aware of all facilities, membership benefits and service availability. Customer surveys are also carried out at regular intervals and the feedback reviewed at director meetings.

The Trust have conducted a number of surveys throughout the year with a variety of stakeholders. The feedback and results of these have prompted the purchase of professional support to conduct more detailed surveys across all stakeholders with the results being reported to the Trust Board and the relevant Local Governing Body.

Objectives and activities

a. Objects and aims

The Trust's principal activities are set out in its articles of association and state that the objects are restricted to the following:

- To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum.
- To promote for the benefit of the inhabitants of the local community who have need by reason of their welfare and with the object of improving the condition of life of the said inhabitants.

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

Objectives and activities (continued)

b. Objectives, strategies and activities

Trust priorities

Our purpose

Our Trust is a growing family of schools, built on a commitment to the development of the children and young people in the communities we serve.

We exist to deliver the very best educational outcomes for every learner. Based upon a foundation of independence, we empower young people to broaden their horizons and open their minds to new opportunities.

Our vision

At the heart of every Pathfinder School is the belief that life is about more than success; it's about greatness. The secret to finding this greatness lies in our everyday actions that make life more fulfilling and more rewarding for us and those around us.

Together we want to develop inspirational schools which instil independence, humanity and collaboration in every learner, enabling them to find the greatness within them.

Our values

Our values stand at the very core of everything. They are the centre from which all we do and say radiates, guiding the way that we work together

| | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
|----------------------|---|---|--|---|
| PERSONNEL | Accommodation for Central team 0.6 CEO Full time CFO Clerk/Executive PA (currently being recruited) | Full time CEO Full time CFO 0.6 COO Director School Improvement cross phase | Consolidation of team | Director of School Improvement primary phase funded by training arm |
| TRAINING ARM | Start school-based training by using OPL to train 3 x cross phase facilitators for NPQs Train 12 practitioners across MCLP schools | Train 2 tranches 12 practitioners including from outside MCLP to create funding stream Consider Teaching school status | Growth in training to include HLTA SLE | Further growth in training arm |
| SCHOOL GROWTH | Hawthorn Primary to join by September 2019 Actively seeking further schools both phases | 2 form primary annex Havelock Infant to open by September 2020 Actively seeking further schools – both phases | Actively seeking further schools –move into hub model as necessary | Actively seeking further schools –move into hub model as necessary Plan for annex to Rothwell School |

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

Objectives and activities (continued)

4 Year Strategic Plan

Trust Annual Strategic Plan 201920

Outcome of plan

For the Trust Board to be confident that Pathfinder Schools are seen as an employer and educational establishment of choice by the community and are in a position to successfully cater for the educational needs of a growing community with continually improving standards in line with the new OFSTED framework. For Pathfinder Schools to be self-sufficient both financially and in terms of school improvement and to be outward looking in terms of both community and National agenda in order to make the most of opportunities as they arise for both students and employees

Rationale for support

- Based on 4 year strategic plan (see below)
- Results of NGA audit tool 0619
- Results of River Learning Trust Review 0219 (RLT review)
- Meetings with marketing consultant, Chair of Trust and CEO 06 and 10/19

Impact of support

Pathfinder Schools have clear priorities and a plan for building growth in order to cater for area growth over the coming 5-10 years and LGBs are invested in this. The organisation has fully explored the growth fund and are actively working on merger to acquire another secondary school

Met/Partially met/Ongoing

The community have a positive image of Pathfinder Schools both as a place to work and a place for pupils to learn as seen in growth of pupil numbers

Met/Partially met/Ongoing

Existing staff see Pathfinder schools as a good place to work as seen in employment statistics eg staff turnover, number of vacancies

Met/Partially met/Ongoing

The TB are able to hold the schools and LGB to account in order to mitigate against potential risks and LGB are fully aware of their roles and responsibilities and how these fit into the overall organisation

Met/Partially met/Ongoing

All trustees are active participants, aware of their role as a representative of Pathfinder Schools and acting as Pathfinder ambassadors in schools and the community

Met/Partially met/Ongoing

School improvement work both within and beyond the Trust has a positive impact on school standards and financial viability and links with other sectors are providing opportunities for staff PD and students experience and employment

Met/Partially met/Ongoing

All schools are moving towards the next stage in their development both quantitatively and qualitatively and have fully adopted the TB curriculum principles in line with OFSTED guidance.

Met/Partially met/Ongoing

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

Objectives and activities (continued)

School Priorities

Schools Annual Strategic Plan 201920

Outcome of Plan

To further develop Pathfinder vision to ensure it is lived and breathed throughout the organisation thereby ensuring that Pathfinder Schools attract and keep the best in order to best serve their community. To further develop a broad and balanced linked curriculum based on research findings in order to enable coordinated learning from nursery to 6th form thereby providing the best education for all through meaningful collaboration and systematic procedures whilst allowing independence and unique qualities to thrive.

Rationale for plan

- Self-assessment framework has highlighted key areas for development as outlined in each section below
- RLT review 0219
- Marketing Plan 0619

| Vision, Culture & Ethos | People and Partners | Teaching and Learning | Curriculum and assessment | Quality assurance and accountability |
|--|---|--|--|--------------------------------------|
| Clarity of purpose AG | Building capacity for improvement AR | Approach to pedagogy AR | Curriculum structure and alignment AG | Knowing schools quantitatively AG |
| Understanding of need AG | | Leadership of teaching AR | | |
| Leading a culture of improvement AG | Recruiting, developing and retaining talent AG | Evidence based professional learning AR | Intentional use of assessment | Knowing schools qualitatively AG |

- Heads Away Day 0619

Self-Assessment Framework informing 201920 plan

Anticipated Impact of Support - Amber Green (AG) areas to move to green (G) Amber red (AR) areas to move to amber green (AG)

Self-Assessment Framework after completing 201920 plan

| Vision, Culture & Ethos | People and Partners | Teaching and Learning | Curriculum and assessment | Quality assurance and accountability |
|--|--|--|--|--------------------------------------|
| Clarity of purpose AG | Building capacity for improvement AG | Approach to pedagogy AR | Curriculum structure and alignment AG | Knowing schools quantitatively AG |
| Understanding of need AG | | Leadership of teaching AR | | |
| Leading a culture of improvement AG | Recruiting, developing and retaining staff AG | Evidence based professional learning AR | Intentional use of assessment AG | Knowing schools qualitatively AG |

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

Objectives and activities (continued)

c. Public benefit

The Trustees have considered the Charity Commission's guidance on public benefit. The key public benefit delivered by the Trust is the maintenance and development of the high quality education provided by the schools, to the young people of the community. In doing this the Trust not only offers a broadly based academic education but aims to educate the whole individual. A wide range of extra curricular activities, educational trips, visits and visiting artists are offered.

Montsaye Community Sports Centre offers swimming to primary schools and a full range of sporting facilities which are available to the wider community outside of school hours. The range of facilities available in the centre has expanded in furtherance of academy objects and now include a fitness centre and dance studio

d. Strategic report

Achievements and performance

Name of School: Havelock Schools

OFSTED

Date: HIS March 2016 HJS June 2017
Grading: HIS Outstanding HJS Good

201920 SDP Priorities and state whether met or not met

SDP Priority 1: QUALITY OF EDUCATION including INTENT, IMPLEMENTATION AND IMPACT

To ensure the curriculum is clearly defined, progressive in skills, knowledge and vocabulary and enables children to develop as well rounded citizens of the future. Outcomes for all pupils are at least in line with National figures in all subjects.

Met/Not met/Ongoing

SDP Priority 2: BEHAVIOUR AND ATTITUDES

To establish a relationships based approach to behaviour that ensures all needs are catered for in an inclusive and respectful learning environment. Attendance rates are improved for all groups of pupils.

Met/Not met/Ongoing

SDP Priority 3: PERSONAL DEVELOPMENT

To ensure healthy minds and bodies are a central part of the curriculum for all pupils.

Met/Not met/Ongoing

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TRUSTEES' REPORT (CONTINUED)
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Objectives and activities (continued)

SDP Priority 4: LEADERSHIP AND MANAGEMENT

To make all leaders throughout the school accountable for the delivery of the whole curriculum. To ensure the school is financially viable for the future by continuing to increase pupil numbers.

Met/Not met/Ongoing

202021 SDP Priorities

SDP Priority 1: QUALITY OF EDUCATION including INTENT, IMPLEMENTATION AND IMPACT

To ensure the curriculum is clearly defined, progressive in skills, knowledge and vocabulary and enables children to develop as well rounded citizens of the future. Outcomes for all pupils are at least in line with National figures in all subjects.

SDP Priority 2: BEHAVIOUR AND ATTITUDES

To firmly embed a relationships based approach to behaviour that ensures all needs are catered for in an inclusive and respectful learning environment. Attendance rates are improved for all groups of pupils.

SDP Priority 3: PERSONAL DEVELOPMENT

To ensure healthy minds and bodies are a central part of the curriculum for all pupils.

SDP Priority 4: LEADERSHIP AND MANAGEMENT

To ensure all leaders throughout the school accountable for the delivery of the whole curriculum. To ensure the school is financially viable for the future by continuing to increase pupil numbers.

Significant external factors

- COVID19 pandemic forced all schools to be partially closed between March and September 2020
- Data collections were halted during this period
- Recovery, Continuity and Catch up plans are all in place for 202021

Any significant changes in staffing

EYFS leader absent from Sept 2020 to present meaning SENDCo is covering the class 3 days a week.
1 full time teacher less in 2020/21 staffing structure meaning SLT required to teach more to keep at 21 classes.
2 x maternity leave at HIS.
3 days a week Pastoral and Attendance Manager post vacated and not replaced with duties falling on SLT members instead.

Objectives and activities (continued)

Name of School: Hawthorn Community Primary School

OFSTED

Date: 17th March 2017

Grading: Requires Improvement

201920 SDP Priorities

SDP Priority 1: QUALITY OF EDUCATION including INTENT, IMPLEMENTATION AND IMPACT

To ensure that all pupils make at least expected progress from starting points in all year groups. To ensure that identified disadvantaged pupils make accelerated progress. To continue to embed an enriched and appropriate curriculum with high quality teaching and learning, where children are encouraged to be independent, self-motivated and active learners.

Met/Not Met/Ongoing

SDP Priority 2: BEHAVIOUR AND ATTITUDES

To provide a happy, caring and secure learning environment where everyone thrives through feeling safe, confident and valued and the wellbeing of each and every individual is a priority.

To nurture children who show respect, consideration and responsibility for others and their environment at all times, both within the school and the wider community.

Met/Not Met/Ongoing

SDP Priority 3: PERSONAL DEVELOPMENT

To encourage and inspire all pupils to achieve their true potential academically, socially, emotionally and physically through effective inclusive practice.

Met/Not Met/Ongoing

SDP Priority 4: OUTCOMES

To ensure that ALL pupils to make at least expected progress and reach at least national expectations in all areas, with a particular focus on improving outcomes in EGPS and Reading.

Additional focus on increasing the number of children achieving above age expected levels and ensuring that vulnerable groups are narrowing the gap between themselves and their peers.

Met/Not Met/Ongoing

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

Objectives and activities (continued)

202021 SDP Priorities and state whether met or not met

SDP Priority 1: QUALITY OF EDUCATION including INTENT, IMPLEMENTATION AND IMPACT

To continue to embed an enriched and appropriate curriculum with high quality teaching and learning, where children are encouraged to be independent, self-motivated and active learners.

To address poor results in end of key stage EGPS SATs so that attainment in this area matches the high attainment in writing judged through teacher assessed levels (confirmed as accurate through LA moderation).

SDP Priority 2: BEHAVIOUR AND ATTITUDES

To build a learner profile for Hawthorn, which identifies the learning behaviours that we would expect to see demonstrated by the pupils to link in with our school values.

To nurture children who show respect, consideration and responsibility for others and their environment at all times, both within the school and the wider community, and work with parents and pupils on what constitutes bullying and harassment.

SDP Priority 3: PERSONAL DEVELOPMENT

To continue to encourage and inspire all pupils to achieve their true potential academically, socially, emotionally and physically through effective inclusive practice.

To encourage all learners to have a positive attitude to education, demonstrated in their resilience when facing challenge.

SDP Priority 4: LEADERSHIP AND MANAGEMENT

To ensure that all pupils in all year groups 'catch up' to ensure that they make accelerated progress following lockdown in order that they achieve their targets in Reading, Writing and Maths based on end of prior key stage data.

Additional focus on increasing the number of children achieving above age expected levels and ensuring that vulnerable groups are narrowing the gap between themselves and their peers.

Significant external factors

COVID19 pandemic forced all schools to be partially closed between March and September 2020

Data collections were halted during this period

Recovery, Continuity and Catch up plans are all in place for 202021

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TRUSTEES' REPORT (CONTINUED)
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Objectives and activities (continued)

Any significant changes in staffing

SENCO on maternity leave from March 2020 – expected to return in January 2020 (role being covered by the Deputy Headteacher)

Part-time year 5/6 teacher on maternity leave since June 2020 – expected to return in June 2021 (role being covered by a fixed term maternity cover teacher)

New Site Supervisor appointed in January 2020 following the retirement of the previous post holder. Hours of work have been reduced number of weeks contracted to work has been reduced.

Bursar has reduced her hours of work from September 2020.

Apprentice Teacher appointed September 2020 – for 1 year.

Name of School: Loatlands Primary School

OFSTED
Date: 29.06.2016
Grading: Good

2019/20 SDP Priorities

SDP Priority 1: QUALITY OF EDUCATION including INTENT, IMPLEMENTATION AND IMPACT

To further improve the quality of teaching of Reading in order to further drive standards.

This priority area has been identified following analysis of Reading across the whole school, in particular regarding exit points for children in KS2 because these outcomes continue to be a challenge due to more demanding content. In addition, the progress of 'emerging' and 'expected' learners from EYFS to KS1 continue to need further development in order to ensure that all targeted pupils convert to the expected standard and the end of KS1. Staff confidence in the identification of the different strategies required to support the varying needs of pupils is also a need and it has been identified that wider reading across all curriculum areas would further strengthen pupil's achievement in this area through development of their reading fluency.

Met

Summary: The improvement work around this priority has been effective and good progress has been made in embedding strategies that improve the quality of teaching of reading to further drive standards. The data outcomes for this priority (at the point of closure due to the national pandemic) show that as these strategies become further embedded, they are having a positive impact on outcomes – particularly in KS2.

During the next academic year it will be important to consider cross-curricular reading opportunities as part of the monitoring cycle to ensure that the early work on this area continues to be embedded.

Objectives and activities (continued)

SDP Priority 2: QUALITY OF EDUCATION including INTENT, IMPLEMENTATION AND IMPACT

To further develop teaching strategies that challenge higher attaining pupils to ensure that a greater proportion of pupils are working a greater depth in Reading, Writing and Maths.

This priority area has been identified following analysis of end of KS1 and KS2 data. While GDS data in Y2 is strong with Reading, Writing and Maths all achieving percentages of pupils achieving GDS higher than the 2018 national figures, KS2 data shows that the percentage of pupils working at GDS across all 3 areas combined is significantly below national figures at only 3%. While this figure is in line with school data from 2017, it represents a significant decline from the much improved levels achieved in 2018. Maths continues to be an area of strength, with a greater proportion of higher attaining pupils achieving GDS at the end of KS2 in comparison to national, both reading and writing remain areas for development in which significantly fewer pupils achieved GDS than those that achieved in nationally thus having an impact of the percentage achieving in all 3 subject areas combined.

Ongoing

Summary: Initial work towards this strategic goal was begun but the large majority of actions were planned for the second part of the Spring Term / the Summer Term when the school was closed due to the COVID-19 pandemic and priorities were redirected to support staff and pupils in ensuring that the school was able to make provision for vulnerable pupils and the children of key workers and that home learning was provided for those remaining at home. This priority will therefore form part of the School Development Plan for 2020/21.

SDP Priority 3: QUALITY OF EDUCATION including INTENT, IMPLEMENTATION AND IMPACT

To ensure that the EYFS environment provides opportunities to develop early writing in both the indoor and outdoor environments.

This priority area has been identified following particularly low levels of pupils achieving GLD at the end of EYFS in July 2019 of 56%. Prior to this, the school had achieved 70% GLD in line with national. It has been recognised that this is largely due to poor results in Writing and leaders have identified that this is largely due to fewer opportunities for independent, self-directed writing within both the indoor and outdoor areas of the EYFS setting.

Met

Summary: While the COVID-19 pandemic meant that much of the planned work for this development priority did not have time to embed, significant staffing changes across the phase, including the movement of the Phase Leader to EYFS for the 2020/21 academic year, mean that this will no longer need to form a priority action on the School Development Plan for the next academic year. Performance in EYFS will continue to be monitored to ensure that enhanced practise leads to improved outcomes for children.

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

Objectives and activities (continued)

SDP Priority 4: PERSONAL DEVELOPMENT

To raise the profile of the Vision and Values of the school to ensure that they are understood by the whole school community.

This priority area has been identified following a substantial piece of work during the last academic year with all stakeholders to establish a new Vision and Values for the school. However, further focus is now needed to ensure that these are embedded throughout the school and have a positive impact on the life of the school and it's community.

Ongoing

Summary: A great deal of initial work was undertaken with regards to this area and all pupils can now articulate what the school values are. Further work will take place during the next academic year to embed this further including through curriculum planning and for assemblies / visitors. However, it is not felt that it is necessary for this to form an area of priority for school development planning as this will be part of everyday practice.

2020/21 SDP Priorities

Priority 1 LEADERSHIP AND MANAGEMENT

Strategic Goal 2: To develop blended learning provision to support pupils to continue learning whether at home or at school.

Priority 2: QUALITY OF TEACHING AND LEARNING

Strategic Goal 3: To develop a successful catch up plan that ensures that all pupils are able to close gaps in learning that have resulted from the closure of the school due to the COVID-19 pandemic.

Priority 3: PERSONAL DEVELOPMENT BEHAVIOUR AND WELFARE

Strategic Goal 1: To further develop the wider curriculum to ensure that clear progression in skills and concepts are identified across all curriculum areas.

Priority 4: OUTCOMES

Strategic Goal 4: To further improve the quality of teaching and learning by developing staff understanding of metacognition.

Significant external factors

- COVID19 pandemic forced all schools to be partially closed between March and September 2020
- Data collections were halted during this period
- Recovery, Continuity and Catch up plans are all in place for 2020/21

Any significant changes in staffing

Additional class teacher appointed due to planned school growth.

Phase leader still to be appointed due to relocation

PATHFINDER SCHOOLS
(A company limited by guarantee)

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

Objectives and activities (continued)

Name of School: Montsaye Academy

OFSTED

Date: 14/10/19

Grading: Good

201920 SDP Priorities

SDP Priority 1: QUALITY OF EDUCATION including INTENT, IMPLEMENTATION AND IMPACT

All DIS/SEND/MA students will make progress in line with their peers and the gap will continue to close? Improve outcomes by the end of key stage 4 by ensuring that all pupils, particularly middle-ability and disadvantaged pupils, make consistently strong progress across the curriculum.

EVERY learner will be stretched and challenged in their learning to achieve their FFT 20/5 target (RR+1 sixth form).

Teaching, learning and assessment, will be at least good, leading to good progress overtime. Effective differentiation that meets the needs the of all learners at all levels will be explicit in all lessons, and ensure that the curriculum is fit for purpose and intent, implementation and impact are high priority.

Met/Not Met/Ongoing

SDP Priority 2: BEHAVIOUR AND ATTITUDES

Attendance will demonstrate an improving trend and be at on or above the national average. PA will be below NA Further reduce the proportion of pupils, especially disadvantaged pupils, who are regularly absent from school

Met/Not Met/Ongoing

SDP Priority 3: PERSONAL DEVELOPMENT

The values of ERA (Excellence, resilience and aspiration) will develop broader skills outside of the classroom and attributes in students that will ensure that they are on appropriate courses and well informed future citizens in modern Britain

Met/Not Met/Ongoing

SDP Priority 4: LEADERSHIP AND MANAGEMENT

To ensure that transition from key stage 2-3 is a high priority within the academy and across the trust (student numbers to increase)

To ensure that all leaders at every level are focussed on ensuring that progress is moving rapidly

Met/Not Met/Ongoing

Objectives and activities (continued)

2020/21 SDP Priorities

SDP Priority 1: QUALITY OF EDUCATION including INTENT, IMPLEMENTATION AND IMPACT

Priority 1.1

All learners will have access to the recovery and responsive curriculum ensuring that the gaps that have widened during Covid- 19 period are closed. (Further intervention for DIS groups)

Priority 1.2

The curriculum (recovery and responsive) is broad, balanced, and sufficiently challenging to ensure that all students have access and the Covid-19 gap is closed

Priority 1.3

Teaching, learning and assessment, will be focused on the fundamentals of the ERA lesson and ERA values

SDP Priority 2: BEHAVIOUR AND ATTITUDES

Priority 2.1

Attendance will remain a priority for MA and move towards the national average; focus will be on supporting children back to school after the Covid-19 lockdown

Priority 2.2

Era behaviours will be the expectation of all – leading to a reduction in FTE and promoting the expectations of an ERA learner

SDP Priority 3: PERSONAL DEVELOPMENT

Priority 3.1

The values of ERA (Excellence, resilience and aspiration, will develop broader skills outside of the classroom and attributes in students that will ensure that they are on appropriate courses and well-informed future citizens in modern Britain

Priority 3.2

Ensure that every learner is supported with his or her mental health and well-being as a priority. Social and emotional support is provided post pandemic

Priority 3.3

Careers and enrichment to feature in all year group plans

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

Objectives and activities (continued)

SDP Priority 4: LEADERSHIP AND MANAGEMENT

Priority 4.1

To ensure that all leaders at every level are focused on ensuring learners are able to bridge gaps created by Covid- 19 lock down.

Priority 4.2

To ensure that transition at all key stages is (2-3/3-4/4/5) a high priority within the academy and across the trust. Plans for transition are robust and adequate, preparing students for the next stage.

Priority 4.3

To improve parental perception of the school to engender more positive conversations at home and make the home/school partnership even stronger and even more effective.

Priority 4.4

To ensure that leadership at all levels is focused on self-reflection and improvement.

Significant external factors

- COVID19 pandemic forced all schools to be partially closed between March and September 2020
- Data collections were halted during this period
- Recovery, Continuity and Catch up plans are all in place for 2020/21
- Attendance of pupils/staff as a result of the COVID 19 pandemic

Any significant changes in staffing

NONE

Name of School : Rothwell Schools (Rothwell Victoria Infant School & Rothwell Junior School)

| OFSTED | RVIS | RJS |
|---------------|-------------|--------------|
| Date | July 2016 | January 2019 |
| Grading | Good | Good |

2019/20 SDP Priorities

SDP Priority 1:

To further strengthen the collaborative relationship between the schools

- New streamlined leadership team in place alongside a new EHT and new year leaders in post
- Further opportunity to improve the journey for pupils from YN to Y6
- Currently aspects of the school organisation and vision remain separate so a clear consistent approach in all aspects of the collaboration is needed

Met/Not Met/Ongoing

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

Objectives and activities (continued)

SDP Priority 2:

To design and trial a child-led interest-based curriculum

- Introduce a purposeful and effective curriculum that supports the development of the whole child
- Establish clear clarity around the organisation's curriculum intent, implementation and impact to further support the schools' new vision and values

Met/Not Met/Ongoing

SDP Priority 3:

To raise standards and close the gap for disadvantaged pupils through the implementation of an effective disadvantaged strategy

- School achievement outcomes and internal assessment data still highlight areas of significant underachievement compared to all pupils for disadvantaged students.

Met/Not Met/Ongoing

SDP Priority 4:

To improve English standards through the implementation of an across school agreed teaching approach

- Outcomes for Reading and Writing remaining around national for KS1 and below national at KS2
- Progress measure at KS2 are below national

Met/Not Met/Ongoing

202021 SDP Priorities

SDP Priority 1: QUALITY OF EDUCATION including INTENT, IMPLEMENTATION AND IMPACT

To embed a child-led interest-based curriculum and establish a blending learning model.

- Implement a recovery curriculum to support pupils return to school
- Deliver curriculum units in line with new agreed curriculum approach
- Develop a mirrored blended learning offer for pupils utilising Microsoft Teams

SDP Priority 2:

To quality of teaching of reading and writing to raise standards across the school

- Embed Phonics teaching model from Year R to Year 4
- Embed the new unit approach to the teaching of English
- Continue to establish a consistent approach to the teaching of reading skills

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

Objectives and activities (continued)

SDP Priority 3:

To implement a cohesive catch up strategy to address pupil needs and close gaps in learning

- Identify gaps in learning amongst year groups in relation to key concepts
- Utilise progression information to take account of needs within the classroom
- Establish a catch-up team with a strategic lead and support leaders within each year group
- Ensure cohesion with the disadvantaged strategy and the catch up approach

SDP Priority 4: LEADERSHIP AND MANAGEMENT

To further strengthen the collaborative relationship between the schools

- Establish a joint vision and values which reflects the collaborative nature of the schools
- Continue to develop and increased the leadership capacity of middle leaders to support school improvement.
- Develop monitoring and evaluation strategies that reflect the needs of a larger organisation.

Significant external factors

COVID19 pandemic forced all schools to be partially closed between March and September 2020

Data collections were halted during this period

Recovery, Continuity and Catch up plans are all in place for 2020/21

Any significant changes in staffing

Nurture unit with 1 x FTE teacher and 2 x TAs has closed. Teacher moved to another school, TAs brought back into main school.

Significant disruption to office staff and site team due to retirement and death. Not yet fully resolved.

Name of School : Rushton Primary School

OFSTED

Date: February 2019

Grading: Good

2019/20 SDP Priorities

Priority 1:

To raise attainment and progress in Reading, Writing and Maths across the school to be above the national in EYFS, KS1 & KS2 with a focus on developing greater depth thinking. (Outcomes)

Met/Not Met/Ongoing

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

Objectives and activities (continued)

Priority 2:

To move teaching and learning from good to outstanding with a focus on challenge but keeping a mentally healthy school (Leadership and Management)

Met/Not Met/Ongoing

Priority 3:

To develop the school's curriculum so that children have a secure set of skills and a deep knowledge base that prepares them for the next stage in their education. (Ofsted)

Met/Not Met/Ongoing

Priority 4:

To improve the technical accuracy of low and middle attaining children's independent writing, specifically their spelling and punctuation. (Outcomes and reflection on results) (Sarah NPQML)

Met/Not Met/Ongoing

202021 SDP Priorities

Priority 1: QUALITY OF EDUCATION including INTENT, IMPLEMENTATION AND IMPACT

To raise attainment and progress in Reading, Writing and Maths across the school to be above the national in EYFS, KS1 & KS2 with a focus on developing greater depth thinking.

Priority 2: LEADERSHIP AND MANAGEMENT

To move teaching and learning from good to outstanding with a focus on challenge but keeping a mentally healthy school

Priority 3: QUALITY OF EDUCATION including INTENT, IMPLEMENTATION AND IMPACT

To develop the school's curriculum so that children have a secure set of skills and a deep knowledge base that prepares them for the next stage in their education.

Priority 4: PERSONAL DEVELOPMENT

To provide a recovery curriculum that supports all children mentally and academically after the pandemic. Ensuring online support is in place in case of a second lockdown.

Significant external factors

- COVID19 pandemic forced all schools to be partially closed between March and September 2020
- Data collections were halted during this period
- Recovery, Continuity and Catch up plans are all in place for 202021

Objectives and activities (continued)

Any significant changes in staffing

Currently no site supervisor

Part time bursar shared with Wilbarston

Name of School : Wilbarston CEVC Primary School

OFSTED

Date: March 2019

Grading: Good

201920 SDP Priorities

SDP Priority 1: QUALITY OF EDUCATION including INTENT, IMPLEMENTATION AND IMPACT

To improve staff and student skills to enable improved progress measures at KS1 and KS2 whilst delivering a broad and balanced curriculum to all.

During the Autumn term a significant amount of face to face training occurred in order to support this priority, especially at KS2. Accelerated Reader was also implemented and in full use prior to lockdown.

FS/KS1 staff had refresher phonics training too.

KS1 was to be the focus of the later Spring term.

Met/Not Met/Ongoing

SDP Priority 2: BEHAVIOUR AND ATTITUDES

To improve the behaviour and attitude of pupils by reviewing our policy and practice for behaviour and anti-bullying.

This priority was not actioned as it was a discrete unit planned for summer term.

Met/Not Met/Ongoing

SDP Priority 3: PERSONAL DEVELOPMENT

For pupils to develop strong inter and intra personal skills which lead to good levels of wellbeing and understanding about themselves and others.

This priority was started by reviewing with children and families our work on the values programme in school. Nurture work had been implemented with key pupils which was leading to better outcomes for them. Jigsaw PSHE scheme had been reviewed and checked for meeting the new RHSE requirements. Further work including the Mindfulness in Schools programme was not able to be completed.

Met/Not Met/Ongoing

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

Objectives and activities (continued)

SDP Priority 4: LEADERSHIP AND MANAGEMENT

To continue to develop leadership skills (at all levels) in school so that pupils make good progress, develop strong skills and achieve well whilst ensuring that staff at school maintain a good level of wellbeing.

The SLT had been developed to include our SENDCo at the higher level to enable the team to benefit from this input and as responsibility for key elements of the SDP lie with her. The KS2 lead began NPQSL and was developing her leadership skills as part of this programme.

Subject leaders had been attending MAT meetings to develop their understanding of their own subject and how it fit into the "intent, implementation and impact" model of our curriculum and to enable them to support colleagues across the curriculum.

HT had implemented "Fab Friday" which was well received by children and staff leading to better wellbeing.

Met/Not Met/Ongoing

202021 SDP Priorities

SDP Priority 1: QUALITY OF EDUCATION including INTENT, IMPLEMENTATION AND IMPACT

To improve staff and student skills, from new starting point in September, by further developing our broad and balanced curriculum which meets the needs of all following lockdown and during the year ahead.

SDP Priority 2: BEHAVIOUR AND ATTITUDES

To further develop work behaviour skills for all learners, particularly less able, in order to increase independence and support pupils in closing the gaps in progress.

(Blended learning approach and work behaviour skills focus)

SDP Priority 3: PERSONAL DEVELOPMENT

For pupils to develop strong inter and intra personal skills which lead to good levels of resilience, wellbeing and understanding about themselves and others.

(Friendship, resilience, wellbeing.)

SDP Priority 4: LEADERSHIP AND MANAGEMENT

For all leaders to support pupils and each other in closing gaps for pupils across the curriculum, whilst maintaining high levels of wellbeing and good resilience/mental health for all during the uncertain year ahead.

Significant external factors

- COVID19 pandemic forced all schools to be partially closed between March and September 2020
- Data collections were halted during this period
- Recovery, Continuity and Catch up plans are all in place for 202021

Any significant changes in staffing

None.

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

Strategic report

Achievements and performance

Montsaye Community Sports Centre

Montsaye Community Sports Centre continues to provide excellent facilities for school use during term time and an excellent range of facilities for the community outside of school hours. Due to the unfortunate circumstances of the Covid 19 lockdown, the Centre was closed in late March. It had partial opening in June 2020 but has yet to return to full operational capacity due to ongoing restrictions.

a. Key performance indicators

A summary of the key financial performance indicators for the Trust is given below:

| Indicator | Target | Actual | Prior Year Actual |
|--|--------|--------|-------------------|
| All staff costs as a percentage of total income* | 75% | 74% | 74% |
| Percentage of academies graded good or outstanding | 100% | 89% | 89% |
| Pupil Teacher Ratio | 19.75 | 22.48 | 20.6 |
| Contact ratio | 0.78 | 0.80 | 0.80 |
| Pupil numbers in relation to capacity | 95% | 81.3% | 80% |
| Spend per pupil on all staff* | | £3,896 | £4,050 |
| Spend per pupil on non-staff costs* | | £1,131 | £1,235 |

b. Going concern

After making appropriate enquiries, the Trustees have 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 can be found in the Statement of Accounting Policies.

Whilst Covid has had an unprecedented impact on the way the schools have operated during the last year, we are largely grant funded and have continued to receive funding during the pandemic at confirmed levels.

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

Strategic report (continued)

Achievements and performance (continued)

c. Promoting the success of the company

During the year, the Trust has undergone a change in structure that has resulted in a new Scheme of Delegation and a segregation of members and Trustees which had historically been linked and tied to appointments. The Trustees recognised the need for independence between the board and members and from 1 September 20, all tied appointments will be ceased and new, independent members will be appointed. This will enable the Trustees to be held more accountable for the actions and performance and bring a level of assurance to the overall performance of the Trust.

The aims and objectives of the Trust remain unchanged but the Trust was renamed and rebranded in 2019 to promote the vision and ethos of the Trust and its expectations in pursuit of its objectives. This has now become embedded and the Trustees continue to drive the values of humanity, independence and collaboration to both internal and external stakeholders. Early indications are that the move has had a positive impact and the Trustees are committed to developing this further.

The Trust have also recruited more Trustees from a variety of backgrounds to ensure the requisite skills are available to the board and to ensure that there is greater independence at board level and that no particular school affiliation is present at board meetings. This promotes decision making that is for the benefit of the Trust as a whole and particularly its pupils and staff.

Although there were no formal Ofsted inspections during the year due to the Covid 19 lockdown, the Trust is keen to ensure that its position as a high performing Trust in terms of outcomes, is more widely known so that other schools or trusts can if required, work more closely informally or formally, with our organisation.

Financial review

a. Financial review

The continuing challenging financial environment led to staff restructuring in a number of our schools during the previous year and a more restrictive recruitment environment for 2019/2020. At the beginning of the year, 6 of our 9 schools had set original budgets that were in deficit and needing to call upon reserves. The impact of the Covid 19 lockdown has been very positive in terms improving the financial position of our schools with only one remaining in deficit in year and significant savings being made in all others.

This has led to schools generally having much stronger reserves which are reasonable but necessary to address future budget concerns where a combination of falling rolls and uncertainty over future funding levels, mean these reserves will be severely eroded in the next few years. In 2020/2021 Trust wide, we expect reserve levels to reduce by £0.5M due in part to some local capital projects and then reduce again in 2021/2020 by a further £0.3M.

The Trust became eligible for the first time in April 20 for School Condition Allocation which has enabled a much more focussed and targeted approach to estate condition management that had been unsupported and unaffordable during the years when Condition Improvement Funds bids were the funding method. The Trust hope, when addressing all priority condition issues is more developed, to be able to pursue more efficiency projects.

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

Strategic report (continued)

Financial review (continued)

The Community Sports Centre is focussed on ensuring it generates sufficient funds to enable it to replace the All Weather Pitch and the general centre facilities as they become due. Some of these costs are substantial for which the Trust holds a sinking fund in order to comply with the conditions of grant funding received in 2005 that enabled regeneration of the facilities. Unfortunately, the severe financial challenges at the co-located school have eroded much of this fund which will require remedial action. This has been compounded by the Covid 19 lockdown with all activities ceasing in March 20 and despite partial reopening from June 20, the Centre is still not fully operational nor will it be until restrictions on leisure activities being completely lifted. Despite all staff being furloughed and a discretionary business grant being awarded, the Centre has made a loss in year and at current levels of operation, this will continue and an overhaul of operations will be necessary.

The Centre continues to be a hub for the community however, the number of visits per annum has drastically fallen and only limited facilities are currently available.

b. Reserves policy

Generally, the Trust aims to carry forward a prudent level of resources from Restricted and Unrestricted Funds to cover the medium and long term needs for renewal and replacement, for major unforeseen contingencies, to stabilise demographic trends and to contribute to major capital developments. Improved funding to schools has enabled a degree of stability. This combined with the positive financial impact for the Trust of the lockdown has strengthened the overall position of the Trust. Current reserves are considered prudent as the forecast demographic for some of our schools going forward will provide significant challenges and reserves are expected to drop significantly within 2 to 3 years. The amount to be carried forward from the General Annual Grant is no longer subject to the restrictions previously operated by the Department for Education.

Trust wide, there was an in year surplus of £426k resulting in balances held in these funds as follows:

- General Annual Grant £728k
- General Non GAG Restricted Fund £Nil
- General Unrestricted Fund £1,312k

This surplus is generally attributable to the closure of schools as a result of the Covid 19 lockdown and the resultant reduction in additional and temporary staffing costs, resources and energy costs.

The LGPS pension deficit for Montsaye Academy has increased by £435,000 from £2,082,000 to £2,517,000 due mainly to changes in financial assumptions made by the actuary.

The eight primary schools were valued separately from Montsaye Academy due to timing of joining the MAT. Their combined deficit has increased by £671,000 from £4,724,000 to £5,395,000 due to the changes in financial assumptions made by the actuary.

In April 2020, the pension funds were revalued as part of the regular triennial process resulting in a small decrease in contributions for our schools. This has been factored in to future planning.

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

Strategic report (continued)

Financial review (continued)

c. Investment policy

The Trustees and Governors are firmly committed to ensuring that all funds under their control are administered in such a way as to maximise return while minimising risk. Close management of cash flow ensures that there are always sufficient funds in the main bank accounts to cover operational costs. Trustees will seek to ensure that any cash not required for operating expenses is placed on deposit at the most favourable rate however these opportunities are minimal. During this year surplus funds have been deposited in high interest deposit accounts. Future arrangements for deposits will be kept under review in the coming year when future funding levels have been promulgated and further longer term planning is undertaken and approved.

d. Principal risks and uncertainties

Trustees have identified the following principal risk and uncertainties facing the Trust:

Financial Risk

The Trust's routine activities seek to minimise risk. Through careful management, cash flow risk is limited to ensure the Trust has sufficient funds available to meet debts as they fall due. The Trust maintains prudent cash reserves at all times.

The Trust is operating in a period of considerable financial change and change with regard to public funding. Financial planning is focused on maintaining the breadth and quality of future work in the context of diminishing budgets and a reducing student demographic.

Trustees have also given due consideration to the risks associated with financial mismanagement and/or compliance failures along with the consequences of ageing resources.

The Trustees acknowledge the defined benefit pension scheme deficit, which is set out in this annual report. It considers that the Trust is able to meet its known contribution commitments for the foreseeable future.

Failures in Governance and/or Management or statutory compliance

Trustees and governors continue to review and ensure that appropriate measures are in place to mitigate these risks.

Reputational Risk

The continuing success of the schools within the Trust depends on maintaining the highest educational standards in order to continue to attract applicants in sufficient numbers. Trustees are clearly focused on monitoring and reviewing the achievement and success of students.

Trustees continue to give due consideration to other aspects of activities where there could be a reputational risk, including discipline, safeguarding, health and safety and the local and national educational environment.

Safeguarding and Child Protection Risks

Trustees continue to ensure that the highest standards are maintained in the selection and monitoring of staff and volunteers, the operation of child protection policies in all schools and in training and support, in order to protect the vulnerable young people in its care.

Strategic report (continued)

Financial review (continued)

Disaster Risk

Trustees continue to ensure systems and procedures are in place, with particular regard to safety, to mitigate potential for disaster scenarios and maintain a business continuity plan.

We are aware that the uncertainty currently surrounding Brexit could potentially impact our operations, service users and suppliers. We are reviewing and monitoring the impact of this on an ongoing basis..

Fundraising

The Trust does not have a centralised policy on fundraising and therefore each school is responsible for co-ordinating its own fundraising efforts. Most schools enjoy the support of a Parent Teacher Association or similar but do not contract with professional or commercial providers. Therefore fundraising is relatively low in profile and in funds raised when compared to other charities and does not justify close monitoring or display unreasonable intrusive practices. There were no complaints received by the Trust during the year regarding its fundraising activities.

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

Strategic report (continued)

Financial review (continued)

Streamlined energy and carbon reporting

| | |
|---|--|
| UK Greenhouse gas emissions and energy use data for the period 1 September 2019 to 31 August 2020 | |
| Energy consumption used to calculate emissions (kWh) | |
| Energy consumption breakdown (kWh) | |
| <ul style="list-style-type: none"> • gas, 2,459,970 • electricity, 986,281 • oil • transport fuel 2,127 | |
| <u>Scope 1 emissions in metric tonnes CO2e</u> | |
| Gas consumption 452.31 | |
| Owned transport – mini bus 0.54 | |
| <u>Total Scope 1</u> 452.85 | |
| <u>Scope 2 emissions in metric tonnes CO2e</u> | |
| Purchased electricity 229.94 | |
| <u>Scope 3 emissions in metric tonnes CO2e</u> | |
| Business travel in employee owned vehicles 2.26 | |
| Total gross emissions in metric tonnes CO2e 684.67 | |
| <u>Intensity ratio</u> | |
| Tonnes CO2e per pupil 0.2138 tCO2 per pupil | |

Quantification and reporting methodology

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

Intensity measurement

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

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

Strategic report (continued)

Financial review (continued)

Measures taken to improve energy efficiency

During the year, the trust have moved to a centrally managed contract for all energy supplies. This will phase in all schools over the next 3 years as existing contracts mature. All schools will be moving to a renewable energy supplier which should directly impact on emissions over the next 3 years.

Not all sites have smart meters at this point but will be as the new contract rolls out. As a result of the Covid 19 lockdown, the Trust and its schools have embraced more video conference meetings to reduce the need for travel between sites and place of work.

Plans for future periods

Future developments

Trust Annual Strategic Plan 202021

Outcome of plan

Outcome A: The dynamic risk register informs the strategic plan which ensures that the culture, values and ethos of Pathfinder Schools permeate all layers of the organisation

Outcome B: Accountability is based on useful and timely data provided for the all committees enabling Trustees to make informed decisions which have a positive impact on the schools and community

Outcome C: The Board of the appropriate people with relevant expertise

Outcome D: Structures of governance enable the Board to triangulate evidence

Outcome E: The Board can demonstrate that it is meeting all statutory compliance requirements

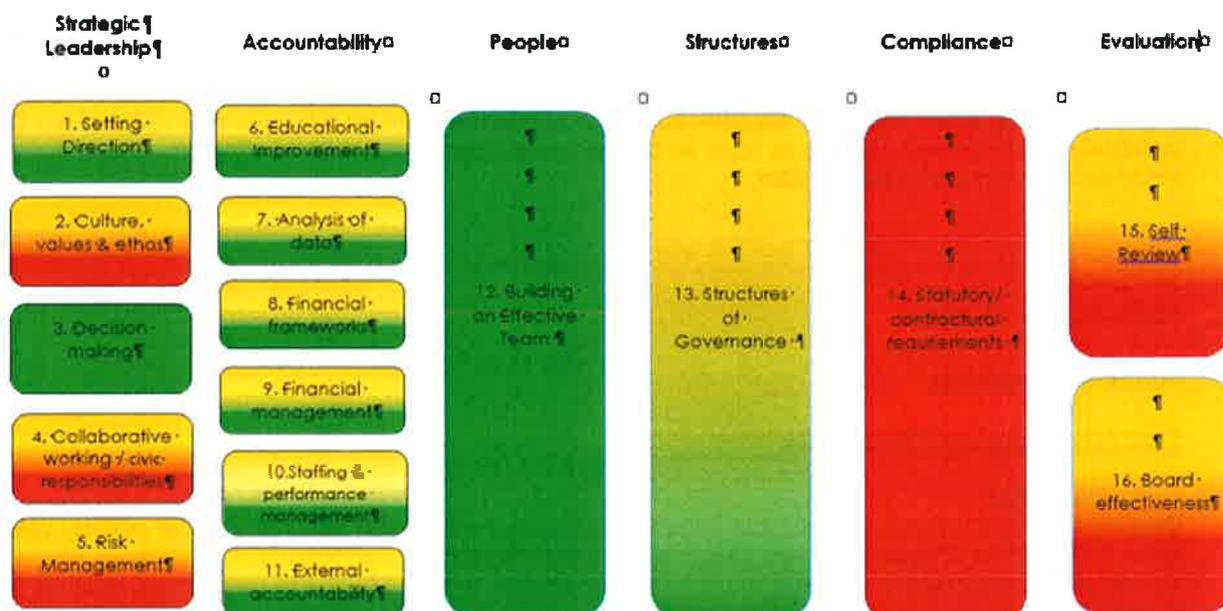
Outcome F: Self and peer review are embedded in Trust Board processes to ensure self-reflection and continual development are a feature of the organisation

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

Plans for future periods (continued)

Rationale for plan

Self-assessment framework has highlighted key areas for development as outlined in each section below conducted during Trust Board Strategic Planning session 131020



Schools Annual Strategic Plan 201920

Outcome of Plan

To further develop Pathfinder vision to ensure it is lived and breathed throughout the organisation thereby ensuring that Pathfinder Schools attract and keep the best in order to best serve their community. To further develop a broad and balanced linked curriculum based on research findings in order to enable coordinated learning from nursery to 6th form thereby providing the best education for all through meaningful collaboration and systematic procedures whilst allowing independence and unique qualities to thrive.

PATHFINDER SCHOOLS
(A company limited by guarantee)

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

Plans for future periods (continued)

Rationale for plan

- Self-assessment framework has highlighted key areas for development as outlined in each section below
- RLT review 0219
- Marketing Plan 0619

| Vision, Culture & Ethos | People and Partners | Teaching and Learning | Curriculum and assessment | Quality assurance and accountability |
|--|---|--|--|--------------------------------------|
| Clarity of purpose AG | Building capacity for improvement AR | Approach to pedagogy AR | Curriculum structure and alignment AG | Knowing schools quantitatively AG |
| Understanding of need AG | | Leadership of teaching AR | | |
| Leading a culture of improvement AG | Recruiting, developing and retaining talent AG | Evidence based professional learning AR | Intentional use of assessment | Knowing schools qualitatively AG |

- Heads Away Day 0619

Self-Assessment Framework informing 201920 plan

Anticipated Impact of Support - Amber Green (AG) areas to move to green (G) Amber red (AR) areas to move to amber green (AG)

Self-Assessment Framework after completing 201920 plan

| Vision, Culture & Ethos | People and Partners | Teaching and Learning | Curriculum and assessment | Quality assurance and accountability |
|--|---|--|--|--------------------------------------|
| Clarity of purpose AG | Building capacity for improvement AG | Approach to pedagogy AR | Curriculum structure and alignment AG | Knowing schools quantitatively AG |
| Understanding of need AG | | Leadership of teaching AR | | |
| Leading a culture of improvement AG | Recruiting developing and retaining staff AG | Evidence based professional learning AR | Intentional use of assessment AG | Knowing schools qualitatively AG |

PATHFINDER SCHOOLS
(A company limited by guarantee)

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

Heads Annual Strategic Plan 202021

Outcome of plan

Outcome 1: To build a culture of learning based on collaboration

Outcome 2: To attract and keep a diverse and talented workforce by ensuring all decisions stem from Pathfinder Values of INDEPENDENCE, COLLABORATION AND HUMANITY

Outcome 3: To inspire greatness in Pathfinder learners by establishing inclusive and research based approaches

Outcome 4: To ensure the Pathfinder curriculum, with wellbeing at the heart, supports the development of knowledge and skills for all wherever they may be

Outcome 5: To fully understand our schools as part of the local community, collaborating to inspire greatness for all

Rationale for support

Self-assessment framework has highlighted key areas for development as outlined in each section below conducted during Leadership Board Planning day 06/20 (see above).

Funds held as custodian on behalf of others

No funds are held by the academy as Custodian Trustee.

Disclosure of information to auditor

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware, and
- that Trustees have taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditor is aware of that information.

Auditor

The auditor, Mazars LLP, has indicated its willingness to continue in office. The Designated Trustees will propose a motion re appointing the auditor at a meeting of the Trustees.

The trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 30 November 2020 and signed on its behalf by:


.....
Mrs L Pruden
Chair of Trustees

PATHFINDER SCHOOLS
(A company limited by guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

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

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

The Board of Trustees has delegated the day to day responsibility to the CEO, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Pathfinder Schools and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the trustees' report and in the statement of trustees' responsibilities. After a structural review in 2019, the Trust has moved to a committee structure that is believed, to better deliver the appropriate challenge necessary and for the Trustees to be more effective in their roles.

The full Board of Trustees was scheduled to meet on 6 occasions during 19/20 but 2 of these meetings were replaced with more regular but informal video conference meetings to keep Trustees abreast of Covid 19 lockdown arrangements and developments. The board has formally met 4 times during the year and attendance has been as follows.

| Trustee | Meetings attended | Out of a possible |
|---|-------------------|-------------------|
| Mrs J Moore | 2 | 4 |
| Mr A Bindley | 4 | 4 |
| Mrs L Pruden, Chair, Chair | 4 | 4 |
| Mrs A Davey*, CEO and Accounting Officer | 4 | 4 |
| Mr C Charteris | 4 | 4 |
| Mr A Cummings | 3 | 4 |
| Mrs J Edwards | 4 | 4 |
| Mrs J Woods | 4 | 4 |
| Mrs A Ashcroft (appointed 14 October 19, resigned 14 June 20) | 1 | 2 |
| Mr K Malde (appointed 19 September 19) | 1 | 4 |
| Mrs M Mottram (appointed 14 October 19) | 3 | 3 |
| Mrs C Green (appointed 13 July 20) | 0 | 0 |

During the year, 4 new Trustees have joined the board with 1 leaving due to the demands in employment as a result of the lockdown.

PATHFINDER SCHOOLS
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The Finance, Audit and Risk Committee is a sub-committee of the Trust Board and has convened to review the annual accounts and audit recommendations for 2018/2019, to set the audit plan for the year and to review Internal Audit/Scrutiny reports across the schools. It reviews in detail budgets and forecasts as well as taking ownership of the Trust's Risk Register. The committee is comprised of three Trustees and a member from a local governing body who has appropriate professional qualifications and experience to support the work of the committee. The board has delegated the management and oversight of strategic estate management to the committee including the allocation of capital funding to address estate condition across the Trust. Meetings are attended by the CEO in her capacity as Accounting Officer and by the CFO.

Attendance during the year at meetings was as follows:

| Trustee | Meetings attended | Out of a possible |
|---------------|-------------------|-------------------|
| Mr A Bindley | 4 | 4 |
| Mr A Cummings | 4 | 4 |
| Mrs M Mottram | 3 | 3 |
| Mr S Ross | 3 | 4 |

The new structure also includes further sub-committees namely the Quality and Standards Committee, the Pay, Personnel and Performance Committee and the Safeguarding and Inclusion Committee. Through these sub-committees and that of the Finance, Audit and Risk Committee, the Trust has much more detailed oversight of the activities and affairs of the Trust and its schools.

Review of value for money

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

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

- Sharing of staffing resources across schools
- Instigating further best value reviews through the CFO and finance staff
- Reviewing staffing structures to better serve school needs
- Increasing the profile of collaborative purchasing and contracts including catering and energy in year
- Exploring opportunities for further centralisation particularly in IT
- Reviewing effectiveness of systems
- Benchmarking both internally and externally and ensuring the Schools Resource Management Tool is operated in schools and reported to the board

GOVERNANCE STATEMENT (CONTINUED)

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of academy 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 Pathfinder Schools for the year 1 September 2018 to 31 August 2019 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 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of Trustees
- regular reviews by the Finance, Audit and Risk Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- delegation of authority and segregation of duties
- identification and management of risks

The Board of Trustees has considered the need for a specific internal audit and or scrutiny function and has decided to appoint SBM Consultancy Limited to carry out the internal scrutiny function across the Trust. This was an abbreviated, remote access version due to the lockdown.

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

- Budget forecasting
- Integrated approach to curriculum and financial planning
- Reviewing financial KPIs
- Local governance and management capacity
- Review of trust governance arrangements and the role and responsibilities of the Finance, Audit and Risk Committee

PATHFINDER SCHOOLS
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of effectiveness

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

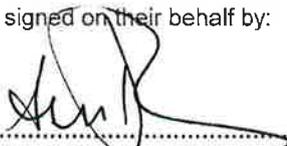
- the internal scrutiny work of the SBM Consultancy Ltd;
- the work of the external auditor;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

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


.....
Mrs L Pruden
Chair of Trustees

Date: 30/11/20


.....
Mrs A Davey
Accounting Officer

Date: 30/11/20

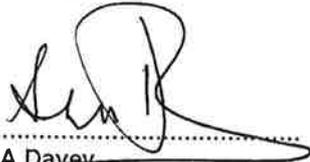
PATHFINDER SCHOOLS
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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



.....
Mrs A Davey
Accounting Officer

Date: 30/11/20

PATHFINDER SCHOOLS
(A company limited by guarantee)

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

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and 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 their conduct and operation the Group and the charitable company apply financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the 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 group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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


.....
Mrs L Pruden
Chair of Trustees

Date: 30/11/20

PATHFINDER SCHOOLS
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
PATHFINDER SCHOOLS**

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, 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

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

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

PATHFINDER SCHOOLS
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
PATHFINDER SCHOOLS (CONTINUED)**

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report including the incorporated strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements; 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 our knowledge and understanding of the Group and the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report including the Strategic report.

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

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

PATHFINDER SCHOOLS
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
PATHFINDER SCHOOLS (CONTINUED)**

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 42, the Trustees (who are directors for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Group's and 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 Group or the Academy Trust or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Use of the audit report

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



David Hoose (Senior Statutory Auditor)
for and on behalf of
Mazars LLP

Chartered Accountants
Statutory Auditor

6 Dominus Way
Meridian Business Park
Leicester
LE19 1RP

Date: 17/12/2020

PATHFINDER SCHOOLS
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
PATHFINDER SCHOOLS AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 17 September 2020 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Pathfinder Schools during the year 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Pathfinder Schools's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Pathfinder Schools's funding agreement with the Secretary of State for Education dated 25 February 2015 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- Planning our assurance procedures including identifying key risks;
- Carrying out sample testing on controls;
- Carrying out substantive testing including analytical review; and
- Concluding on procedures carried out.

PATHFINDER SCHOOLS
(A company limited by guarantee)

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

Conclusion

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

Mazars LL

Mazars LLP

6 Dominus Way
Meridian Business Park
Leicester
LE19 1RP

Date: 17/12/2020

PATHFINDER SCHOOLS
(A company limited by guarantee)

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

| | Note | Unrestricted funds 2020 £000 | Restricted funds 2020 £000 | Restricted fixed asset funds 2020 £000 | Total funds 2020 £000 | Total funds 2019 £000 |
|--|----------|------------------------------------|----------------------------------|--|-----------------------------|-----------------------------|
| Income from: | | | | | | |
| Donations and capital grants: | 3 | | | | | |
| Transfer from Local Authority on conversion | | - | - | - | - | 1,520 |
| Other donations and capital grants | | 31 | - | 704 | 735 | 343 |
| Charitable activities: | | | | | | |
| Funding for the Academy Trust's educational operations | 4 | 123 | 15,353 | - | 15,476 | 14,676 |
| Other trading activities | 5 | 361 | - | - | 361 | 578 |
| Investments | 6 | 3 | - | - | 3 | 2 |
| Total income | | 518 | 15,353 | 704 | 16,575 | 17,119 |
| Expenditure on: | | | | | | |
| Raising funds | 7 | 388 | - | - | 388 | 530 |
| Charitable activities: | | | | | | |
| Academy Trust educational operations | 8 | 55 | 15,981 | 993 | 17,029 | 15,980 |
| Total expenditure | | 443 | 15,981 | 993 | 17,417 | 16,510 |
| Net (expenditure) / income | | 75 | (628) | (289) | (842) | 609 |

PATHFINDER SCHOOLS
(A company limited by guarantee)

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

| | | Unrestricted funds 2020 £000 | Restricted funds 2020 £000 | Restricted fixed asset funds 2020 £000 | Total funds 2020 £000 | Total funds 2019 £000 |
|---|------|---------------------------------------|-------------------------------------|--|--------------------------------|--------------------------------|
| | Note | | | | | |
| Net (expenditure) /income | | 75 | (628) | (289) | (842) | 609 |
| Other recognised gains/(losses): | | | | | | |
| Actuarial losses on defined benefit pension schemes | 25 | - | (127) | - | (127) | (2,405) |
| Net movement in funds | | 75 | (755) | (289) | (969) | (1,796) |
| Reconciliation of funds: | | | | | | |
| Total funds brought forward | | 1,237 | (6,429) | 26,904 | 21,712 | 23,508 |
| Net movement in funds | | 75 | (755) | (289) | (969) | (1,796) |
| Total funds carried forward | | 1,312 | (7,184) | 26,615 | 20,743 | 21,712 |

PATHFINDER SCHOOLS
(A company limited by guarantee)
REGISTERED NUMBER: 07670511

CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2020

| | Note | 2020 £000 | 2019 £000 |
|---|-----------|---------------|---------------|
| Fixed assets | | | |
| Tangible assets | 14 | 26,241 | 26,904 |
| | | <u>26,241</u> | <u>26,904</u> |
| Current assets | | | |
| Debtors | 15 | 441 | 336 |
| Cash at bank and in hand | 23 | 3,081 | 2,206 |
| | | <u>3,522</u> | <u>2,542</u> |
| Liabilities | | | |
| Creditors: Amounts falling due within one year | 16 | (1,105) | (921) |
| | | <u>2,417</u> | <u>1,621</u> |
| Net current assets | | | |
| | | <u>28,658</u> | <u>28,525</u> |
| Total assets less current liabilities | | | |
| Creditors: Amounts falling due after more than one year | 17 | (3) | (7) |
| | | <u>28,655</u> | <u>28,518</u> |
| Net assets excluding pension liability | | | |
| Defined benefit pension scheme liability | 25 | (7,912) | (6,806) |
| | | <u>20,743</u> | <u>21,712</u> |
| Total net assets | | | |
| Funds of the Academy Trust | | | |
| Restricted funds: | | | |
| Fixed asset funds | 18 | 26,615 | 26,904 |
| Restricted income funds | 18 | 728 | 377 |
| | | <u>27,343</u> | <u>27,281</u> |
| Restricted funds excluding pension liability | 18 | 27,343 | 27,281 |
| Pension reserve | 18 | (7,912) | (6,806) |
| | | <u>19,431</u> | <u>20,475</u> |
| Total restricted funds | 18 | 19,431 | 20,475 |
| Unrestricted income funds | 18 | 1,312 | 1,237 |
| | | <u>20,743</u> | <u>21,712</u> |
| Total funds | | 20,743 | 21,712 |

PATHFINDER SCHOOLS
(A company limited by guarantee)
REGISTERED NUMBER: 07670511

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2020

The financial statements on pages 48 to 83 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



.....
Mrs L Pruden
Chair of Trustees

Date: 30/11/20

The notes on pages 55 to 83 form part of these financial statements.

PATHFINDER SCHOOLS
(A company limited by guarantee)
REGISTERED NUMBER: 07670511

ACADEMY TRUST BALANCE SHEET
AS AT 31 AUGUST 2020

| | Note | 2020 £000 | 2019 £000 |
|---|-----------|---------------|---------------|
| Fixed assets | | | |
| Tangible assets | 14 | 26,241 | 26,904 |
| | | <u>26,241</u> | <u>26,904</u> |
| Current assets | | | |
| Debtors | 15 | 489 | 358 |
| Cash at bank and in hand | | 3,062 | 2,194 |
| | | <u>3,551</u> | <u>2,552</u> |
| Liabilities | | | |
| Creditors: Amounts falling due within one year | 16 | (1,115) | (932) |
| | | <u>2,436</u> | <u>1,620</u> |
| Net current assets | | | |
| | | <u>28,677</u> | <u>28,524</u> |
| Total assets less current liabilities | | | |
| Creditors: Amounts falling due after more than one year | 17 | (3) | (7) |
| | | <u>28,674</u> | <u>28,517</u> |
| Net assets excluding pension liability | | | |
| Defined benefit pension scheme liability | 25 | (7,912) | (6,806) |
| | | <u>20,762</u> | <u>21,711</u> |
| Total net assets | | | |
| Funds of the Academy Trust | | | |
| Restricted funds: | | | |
| Fixed asset funds | 18 | 26,615 | 26,904 |
| Restricted income funds | 18 | 730 | 377 |
| | | <u>27,345</u> | <u>27,281</u> |
| Restricted funds excluding pension liability | 18 | 27,345 | 27,281 |
| Pension reserve | 18 | (7,912) | (6,806) |
| | | <u>19,433</u> | <u>20,475</u> |
| Total restricted funds | 18 | 19,433 | 20,475 |
| Unrestricted funds | 18 | 1,329 | 1,236 |
| | | <u>20,762</u> | <u>21,711</u> |
| Total funds | | 20,762 | 21,711 |

PATHFINDER SCHOOLS
(A company limited by guarantee)
REGISTERED NUMBER: 07670511

ACADEMY TRUST BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2020

The financial statements on pages 48 to 83 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



.....
Mrs L Pruden
Chair of Trustees

Date: 30/11/20

The notes on pages 55 to 83 form part of these financial statements.

PATHFINDER SCHOOLS
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020

| | Note | 2020 £000 | 2019 £000 |
|---|---------------|----------------------------|----------------------------|
| Cash flows from operating activities | | | |
| Net cash provided by operating activities | 20 | 180 | 133 |
| Cash flows from investing activities | 22 | 699 | 586 |
| Cash flows from financing activities | 21 | (4) | (4) |
| Change in cash and cash equivalents in the year | | 875 | 715 |
| Cash and cash equivalents at the beginning of the year | | 2,206 | 1,491 |
| Cash and cash equivalents at the end of the year | 23, 24 | <u>3,081</u> | <u>2,206</u> |

The notes on pages 55 to 83 form part of these financial statements.

PATHFINDER SCHOOLS
(A company limited by guarantee)

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

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

Pathfinder Schools meets the definition of a public benefit entity under FRS 102.

The consolidated statement of financial activities (SOFA) and consolidated balance sheet consolidate the financial statements of the Academy Trust and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Academy Trust has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of financial activities in these financial statements.

1.2 Going concern

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

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

1. Accounting policies (continued)

1.3 Income

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

- **Grants**

Grants are included in the consolidated 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 consolidated statement of financial activities in the year for which it is receivable and any abatement in respect of the year is deducted from income and recognised as a liability.

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

- **Donations**

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

- **Other income**

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

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

1. Accounting policies (continued)

1.4 Expenditure

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

- **Expenditure on raising funds**

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.

All resources expended are inclusive of irrecoverable VAT.

1.5 Tangible fixed assets

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

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

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

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

1. Accounting policies (continued)

1.5 Tangible fixed assets (continued)

Depreciation is provided on the following bases:

| | |
|-------------------------|--|
| Freehold property | - Over 50 years on a straight line basis |
| Leasehold property | - Over 50 years on a straight line basis |
| Furniture and equipment | - Over 7 years on a straight line basis |
| Plant and machinery | - Over 25 years on a straight line basis |
| Computer equipment | - Over 5 years on a straight line basis |

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 consolidated statement of financial activities.

1.6 Liabilities

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

1.7 Provisions

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

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

1.8 Leased assets

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

1.9 Investments

Investments in subsidiaries are valued at cost less provision for impairment.

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

1. Accounting policies (continued)

1.10 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments. Amounts due to the Academy Trust's wholly owned subsidiary are held at face value less any impairment.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 16 and 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the Academy Trust's wholly owned subsidiary are held at face value less any impairment.

1.11 Taxation

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

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

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

1. Accounting policies (continued)

1.12 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.

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

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

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

1.13 Agency arrangements

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 consolidated statement of financial activities as the Academy Trust does not have control over the charitable application of the funds. The Academy Trust can use up to 10% of the allocation towards its own administration costs and this is recognised in the consolidated statement of financial activities. The funds received and paid and any balances held are disclosed in note 29.

1.14 Fund accounting

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

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

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

PATHFINDER SCHOOLS
(A company limited by guarantee)

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

2. Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 25, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3. Income from donations and capital grants

| | Unrestricted funds 2020 £000 | Restricted funds 2020 £000 | Restricted fixed asset funds 2020 £000 | Total funds 2020 £000 | Total funds 2019 £000 |
|--|---------------------------------------|-------------------------------------|--|--------------------------------|--------------------------------|
| Donations | | | | | |
| Transfer on conversion from Local Authority | - | - | - | - | 1,520 |
| Other donations | 31 | - | - | 31 | 16 |
| Capital Grants | - | - | 704 | 704 | 327 |
| Subtotal | 31 | - | 704 | 735 | 343 |
| Total 2020 | 31 | - | 704 | 735 | 1,863 |
| Total 2019 | 276 | (412) | 1,999 | 1,863 | |

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

4. Funding for the Academy Trust's educational operations

| | Unrestricted funds 2020 £000 | Restricted funds 2020 £000 | Total funds 2020 £000 | Total funds 2019 £000 |
|--|---|---|--|--|
| DfE/ESFA grants | | | | |
| General Annual Grant | - | 12,515 | 12,515 | 12,128 |
| Start Up Grants | - | 15 | 15 | 25 |
| Other DfE Group Grants | - | 1,923 | 1,923 | 1,299 |
| | - | 14,453 | 14,453 | 13,452 |
| Other government grants | | | | |
| Local Authority Grants | - | 588 | 588 | 533 |
| Other income from the Academy Trust's educational operations | 46 | 312 | 358 | 691 |
| | 46 | 900 | 946 | 1,224 |
| Exceptional government funding | | | | |
| Coronavirus Job Retention Scheme grant | 77 | - | 77 | - |
| Total 2020 | 123 | 15,353 | 15,476 | 14,676 |
| Total 2019 | 231 | 14,445 | 14,676 | |

The Group has been eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak. The funding received is shown above under "exceptional government funding".

- The Group furloughed some of its premises staff under the government's CJRS. The funding received of £77k relates to staff costs in respect of staff which are included within note 10 below as appropriate.

PATHFINDER SCHOOLS
(A company limited by guarantee)

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

5. Income from other trading activities

| | Unrestricted funds 2020 £000 | Total funds 2020 £000 | Total funds 2019 £000 |
|--|---|--|--|
| Hire of facilities | 266 | 266 | 402 |
| Income from other charitable activities | - | - | 4 |
| Income from ancillary trading activities | 95 | 95 | 172 |
| Total 2020 | <u>361</u> | <u>361</u> | <u>578</u> |
| Total 2019 | <u>578</u> | <u>578</u> | |

6. Investment income

| | Unrestricted funds 2020 £000 | Total funds 2020 £000 | Total funds 2019 £000 |
|---------------------|---|--|--|
| Short term deposits | <u>3</u> | <u>3</u> | <u>2</u> |
| Total 2019 | <u>2</u> | <u>2</u> | |

PATHFINDER SCHOOLS
(A company limited by guarantee)

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

7. Expenditure

| | Staff Costs | Premises | Other | Total | Total |
|---|--------------------|-----------------|--------------|---------------|---------------|
| | 2020 | 2020 | 2020 | 2020 | 2019 |
| | £000 | £000 | £000 | £000 | £000 |
| Expenditure on raising voluntary income | 344 | - | 44 | 388 | 530 |
| Academy Trust's educational operations: | | | | | |
| Direct costs | 10,750 | 481 | 1,189 | 12,420 | 11,948 |
| Allocated support costs | 2,637 | 928 | 1,044 | 4,609 | 4,032 |
| Total 2020 | <u>13,731</u> | <u>1,409</u> | <u>2,277</u> | <u>17,417</u> | <u>16,510</u> |
| Total 2019 | <u>12,583</u> | <u>1,206</u> | <u>2,721</u> | <u>16,510</u> | |

8. Charitable activities

| | 2020 | 2019 |
|--|---------------|---------------|
| | £000 | £000 |
| Direct costs - educational operations | 12,420 | 11,948 |
| Support costs - educational operations | 4,609 | 4,032 |
| | <u>17,029</u> | <u>15,980</u> |
| | 2020 | 2019 |
| | £000 | £000 |
| Support costs | | |
| Support staff costs | 2,637 | 2,349 |
| Depreciation | 192 | 165 |
| Technology costs | 293 | 279 |
| Premises costs | 929 | 734 |
| Legal costs - other | 18 | - |
| Other support costs | 417 | 364 |
| Governance costs | 123 | 141 |
| | <u>4,609</u> | <u>4,032</u> |

PATHFINDER SCHOOLS
(A company limited by guarantee)

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

9. Net (expenditure)/income

Net (expenditure)/income for the year includes:

| | 2020 | 2019 |
|---------------------------------------|-------------|-------------|
| | £000 | £000 |
| Operating lease rentals | 33 | 27 |
| Depreciation of tangible fixed assets | 671 | 637 |
| Fees payable to auditor for: | | |
| - audit | 15 | 15 |
| - other services | 6 | 5 |
| | <u>6</u> | <u>5</u> |

10. Staff

a. Staff costs

Staff costs during the year were as follows:

| | Group | Group | Academy | Academy |
|---------------------------|---------------|---------------|----------------|----------------|
| | 2020 | 2019 | Trust | Trust |
| | £000 | £000 | £000 | £000 |
| Wages and salaries | 9,596 | 9,318 | 9,365 | 9,084 |
| Social security costs | 850 | 811 | 843 | 801 |
| Pension costs | 3,086 | 2,287 | 3,060 | 2,245 |
| | <u>13,532</u> | <u>12,416</u> | <u>13,268</u> | <u>12,130</u> |
| Agency staff costs | 199 | 160 | 199 | 160 |
| Staff restructuring costs | - | 7 | - | 7 |
| | <u>13,731</u> | <u>12,583</u> | <u>13,467</u> | <u>12,297</u> |

Staff restructuring costs comprise:

| | Group | Group | Academy | Academy |
|---------------------|--------------|--------------|----------------|----------------|
| | 2020 | 2019 | Trust | Trust |
| | £000 | £000 | £000 | £000 |
| Redundancy payments | - | 7 | - | 7 |
| | <u>-</u> | <u>7</u> | <u>-</u> | <u>7</u> |

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

10. Staff (continued)

b. Staff numbers

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

| | Group 2020 No. | Group 2019 No. |
|----------------------------|-------------------------------|-------------------------------|
| Teachers | 170 | 157 |
| Administration and support | 315 | 299 |
| Management | 27 | 24 |
| | <u>512</u> | <u>480</u> |

c. Higher paid staff

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

| | Group 2020 No. | Group 2019 No. |
|--------------------------------|-------------------------------|-------------------------------|
| In the band £60,001 - £70,000 | 5 | 3 |
| In the band £70,001 - £80,000 | 1 | - |
| In the band £80,001 - £90,000 | - | 1 |
| In the band £90,001 - £100,000 | 2 | - |
| | <u>2</u> | <u>-</u> |

d. Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £829k (2019 - £624k).

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

11. Trustees' remuneration and expenses

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

| | | 2020 | 2019 |
|---------------------------------|----------------------------|-------------|-------------|
| | | £000 | £000 |
| Mrs A Davey, Accounting Officer | Remuneration | 90 - 95 | 85 - 90 |
| | Pension contributions paid | 20 - 25 | 10 - 15 |

During the year ended 31 August 2020, travel expenses totalling £605 were reimbursed to 1 Trustee (2019 - £1,096 to 1 Trustee).

12. Trustees' and Officers' insurance

In accordance with normal commercial practice the academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5 million on any one claim and the cost for the year ended 31 August 2020 was £940 (2019 - £940).

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

13. Central services

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

- financial services
- legal services
- other costs as arising

The Group charges for these services on the following basis:

A flat percentage of income of 3.7% (3.85% from March 2020).

The actual amounts charged during the year were as follows:

| | 2020 | 2019 |
|-----------------------------------|-------------|-------------|
| | £000 | £000 |
| Havelock Infants School | 35 | 29 |
| Havelock Junior School | 47 | 42 |
| Rothwell Victoria Infants School | 45 | 40 |
| Rothwell Junior School | 56 | 50 |
| Loatlands Primary School | 54 | 40 |
| Rushton Primary School | 17 | 14 |
| Wilbarston Primary School | 17 | 15 |
| Hawthorn Community Primary School | 42 | 15 |
| Montsaye Academy | 175 | 162 |
| Total | <u>488</u> | <u>407</u> |

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

14. Tangible fixed assets

Group and Academy Trust

| | Freehold property £000 | Leasehold property £000 | Motor vehicles £000 | Fixtures and fittings £000 | Computer equipment £000 | Total £000 |
|--------------------------|---------------------------------------|--|------------------------------------|---|--|-----------------------|
| Cost or valuation | | | | | | |
| At 1 September 2019 | 27,983 | 1,672 | 23 | 846 | 619 | 31,143 |
| Additions | - | - | - | - | 8 | 8 |
| At 31 August 2020 | 27,983 | 1,672 | 23 | 846 | 627 | 31,151 |
| Depreciation | | | | | | |
| At 1 September 2019 | 3,372 | 12 | 23 | 290 | 542 | 4,239 |
| Charge for the year | 479 | 28 | - | 107 | 57 | 671 |
| At 31 August 2020 | 3,851 | 40 | 23 | 397 | 599 | 4,910 |
| Net book value | | | | | | |
| At 31 August 2020 | 24,132 | 1,632 | - | 449 | 28 | 26,241 |
| At 31 August 2019 | 24,611 | 1,660 | - | 556 | 77 | 26,904 |

15. Debtors

| | Group 2020 £000 | Group 2019 £000 | Academy Trust 2020 £000 | Academy Trust 2019 £000 |
|------------------------------------|--------------------------------|--------------------------------|--|--|
| Due within one year | | | | |
| Trade debtors | 13 | 5 | 10 | 1 |
| Amounts owed by group undertakings | - | - | 54 | 28 |
| VAT Recoverable | 99 | 126 | 99 | 126 |
| Prepayments and accrued income | 329 | 205 | 326 | 203 |
| | 441 | 336 | 489 | 358 |

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

16. Creditors: Amounts falling due within one year

| | Group 2020 £000 | Group 2019 £000 | Academy Trust 2020 £000 | Academy Trust 2019 £000 |
|--|--|--|--|--|
| Other loans | 4 | 4 | 4 | 4 |
| Trade creditors | 86 | 116 | 101 | 115 |
| Other taxation and social security | 189 | 201 | 188 | 196 |
| Other creditors | 247 | 223 | 247 | 223 |
| Accruals and deferred income | 579 | 377 | 575 | 394 |
| | <u>1,105</u> | <u>921</u> | <u>1,115</u> | <u>932</u> |
| | Group 2020 £000 | Group 2019 £000 | Company 2020 £000 | Company 2019 £000 |
| Deferred income | | | | |
| Deferred income at 1 September 2018 | 230 | 198 | 230 | 198 |
| Resources deferred during the year | 173 | 230 | 173 | 230 |
| Amounts released from previous years | (230) | (198) | (230) | (198) |
| Deferred income at 31 August 2019 | <u>173</u> | <u>230</u> | <u>173</u> | <u>230</u> |

At 31 August 2020 deferred income was made up of £160k (2019 - £171k) in relation to Universal Infant Free School Meals, £Nil (2019 - £38k) in relation to Rates Relief, £6k (2019 - £3k) in relation to Other Grants and £7k (2019 - £18k) in relation to trips.

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17. Creditors: Amounts falling due after more than one year

| | Group 2020 £000 | Group 2019 £000 | Academy Trust 2020 £000 | Academy Trust 2019 £000 |
|-------------|--------------------------------|--------------------------------|--|--|
| Other loans | 3 | 7 | 3 | 7 |

Included within the above are amounts falling due as follows:

| | Group 2020 £000 | Group 2019 £000 | Company 2020 £000 | Company 2019 £000 |
|-----------------------------------|--------------------------------|--------------------------------|----------------------------------|----------------------------------|
| Between one and two years | | | | |
| Other loans | 3 | 4 | 3 | 4 |
| | <u>3</u> | <u>4</u> | <u>3</u> | <u>4</u> |
| Between two and five years | | | | |
| Other loans | - | 3 | - | 3 |

Other loans includes £3k in relation to an approved ESFA loan via the Salix loan program for capital projects. The loan is interest free, unsecured and repayable via a General Annual Grant sacrifice.

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

18. Statement of funds

| | Balance at 1 September 2019 £000 | Income £000 | Expenditure £000 | Gains/ (Losses) £000 | Balance at 31 August 2020 £000 |
|--------------------------------------|---|----------------|---------------------|----------------------------|---|
| Unrestricted funds | | | | | |
| General Funds | 1,237 | 518 | (443) | - | 1,312 |
| Restricted general funds | | | | | |
| General Annual Grant (GAG) | 377 | 12,515 | (12,164) | - | 728 |
| Start Up Grants | - | 15 | (15) | - | - |
| Pupil Premium | - | 755 | (755) | - | - |
| Other grants | - | 2,068 | (2,068) | - | - |
| Pension reserve | (6,806) | - | (979) | (127) | (7,912) |
| | (6,429) | 15,353 | (15,981) | (127) | (7,184) |
| Restricted fixed asset funds | | | | | |
| Transfer on conversion | 25,144 | - | (499) | - | 24,645 |
| DfE Group capital grants | 1,555 | 704 | (474) | - | 1,785 |
| Capital expenditure from other funds | 205 | - | (20) | - | 185 |
| | 26,904 | 704 | (993) | - | 26,615 |
| Total Restricted funds | 20,475 | 16,057 | (16,974) | (127) | 19,431 |
| Total funds | 21,712 | 16,575 | (17,417) | (127) | 20,743 |

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FOR THE YEAR ENDED 31 AUGUST 2020

18. Statement of funds (continued)

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

- Unrestricted funds represent those resources which may be used towards meeting any of the charitable objects of the academy at the discretion of the Trustees;
- Restricted funds (excluding pension and other restricted reserves) represent funds received from the Department for Education and is specifically spent on the running of the Academy Trust;
- Pension reserve represents the Local Government Pension Scheme liability;
- Other restricted reserve represents funds which are restricted by the donor including school trip income;
- Restricted fixed asset funds represent resources which are applied to specific capital purposes imposed by the Department for Education where the asset acquired or created is held for a specific purpose.

The Pension Reserve is a fund in deficit as this relates to the Local Government Pension Scheme, the Trustees review the deficit on a regular basis and are advised by an external actuary.

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

Total funds analysis by academy

Fund balances at 31 August 2020 were allocated as follows:

| | 2020 | 2019 |
|--|---------------|---------------|
| | £000 | £000 |
| Havelock Infants School | 160 | 119 |
| Havelock Junior School | 205 | 156 |
| Rothwell Victoria Infants School | 173 | 67 |
| Rothwell Junior School | 202 | 82 |
| Wilbarston Primary School | 107 | 116 |
| Rushton Primary School | 117 | 117 |
| Loatlands Primary School | 318 | 259 |
| Hawthorn Community Primary School | 325 | 293 |
| Montsaye Academy | 320 | 232 |
| Montsaye Community Sports Centre | (19) | - |
| Pathfinder Schools | 132 | 173 |
| | <hr/> | <hr/> |
| Total before fixed asset funds and pension reserve | 2,040 | 1,614 |
| Restricted fixed asset fund | 26,615 | 26,904 |
| Pension reserve | (7,912) | (6,806) |
| | <hr/> | <hr/> |
| Total | 20,743 | 21,712 |
| | <hr/> <hr/> | <hr/> <hr/> |

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

18. Statement of funds (continued)

Total cost analysis by academy

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

| | Teaching and educational support staff costs £000 | Other support staff costs £000 | Educational supplies £000 | Other costs excluding depreciation £000 | Total 2020 £000 | Total 2019 £000 |
|-----------------------------------|--|---|--|--|--------------------------------|--------------------------------|
| Havelock Infants School | 752 | 228 | 42 | 117 | 1,139 | 1,258 |
| Havelock Junior School | 1,119 | 207 | 79 | 221 | 1,626 | 1,369 |
| Rothwell Victoria Infants School | 969 | 232 | 44 | 187 | 1,432 | 1,439 |
| Rothwell Junior School | 1,331 | 187 | 81 | 112 | 1,711 | 1,795 |
| Wilbarston Primary School | 356 | 75 | 41 | 76 | 548 | 549 |
| Rushton Primary School | 364 | 79 | 38 | 73 | 554 | 519 |
| Loatlands Primary School | 1,220 | 286 | 139 | 185 | 1,830 | 1,682 |
| Hawthorn Community Primary School | 933 | 186 | 49 | 158 | 1,326 | 563 |
| Montsaye Academy | 3,576 | 1,071 | 350 | 644 | 5,641 | 5,906 |
| Montsaye Community Sports Centre | - | 264 | - | 93 | 357 | 409 |
| Central services | 130 | 166 | 22 | 262 | 580 | 384 |
| Academy Trust | 10,750 | 2,981 | 885 | 2,128 | 16,744 | 15,873 |

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

18. Statement of funds (continued)

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

| | Balance at 1 September 2018 £000 | Income £000 | Expenditure £000 | Gains/ (Losses) £000 | Balance at 31 August 2019 £000 |
|--------------------------------------|--|----------------|---------------------|----------------------------|---|
| Unrestricted funds | | | | | |
| General Funds | 953 | 1,087 | (803) | - | 1,237 |
| Restricted general funds | | | | | |
| General Annual Grant (GAG) | - | 12,128 | (11,751) | - | 377 |
| Start Up Grants | - | 25 | (25) | - | - |
| Pupil Premium | - | 709 | (709) | - | - |
| Other grants | - | 1,583 | (1,583) | - | - |
| Pension reserve | (3,311) | (412) | (678) | (2,405) | (6,806) |
| | <u>(3,311)</u> | <u>14,033</u> | <u>(14,746)</u> | <u>(2,405)</u> | <u>(6,429)</u> |
| Restricted fixed asset funds | | | | | |
| Transfer on conversion | 23,952 | 1,672 | (480) | - | 25,144 |
| DfE Group capital grants | 1,691 | 327 | (463) | - | 1,555 |
| Capital expenditure from other funds | 223 | - | (18) | - | 205 |
| | <u>25,866</u> | <u>1,999</u> | <u>(961)</u> | <u>-</u> | <u>26,904</u> |
| Total Restricted funds | <u>22,555</u> | <u>16,032</u> | <u>(15,707)</u> | <u>(2,405)</u> | <u>20,475</u> |
| Total funds | <u>23,508</u> | <u>17,119</u> | <u>(16,510)</u> | <u>(2,405)</u> | <u>21,712</u> |

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

19. Analysis of net assets between funds

| | Unrestricted funds 2020 £000 | Restricted funds 2020 £000 | Restricted fixed asset funds 2020 £000 | Total funds 2020 £000 |
|--|---|---|---|--|
| Tangible fixed assets | - | - | 26,241 | 26,241 |
| Current assets | 1,312 | 1,836 | 374 | 3,522 |
| Creditors due within one year | - | (1,105) | - | (1,105) |
| Creditors due in more than one year | - | (3) | - | (3) |
| Provisions for liabilities and charges | - | (7,912) | - | (7,912) |
| Total | 1,312 | (7,184) | 26,615 | 20,743 |

Analysis of net assets between funds - prior period

| | Unrestricted funds 2019 £000 | Restricted funds 2019 £000 | Restricted fixed asset funds 2019 £000 | Total funds 2019 £000 |
|--|---|---|---|--|
| Tangible fixed assets | - | - | 26,904 | 26,904 |
| Current assets | 1,237 | 1,305 | - | 2,542 |
| Creditors due within one year | - | (921) | - | (921) |
| Creditors due in more than one year | - | (7) | - | (7) |
| Provisions for liabilities and charges | - | (6,806) | - | (6,806) |
| Total | 1,237 | (6,429) | 26,904 | 21,712 |

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

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

| | 2020 | 2019 |
|--|-------------|-------------|
| | £000 | £000 |
| Net (expenditure)/income for the period (as per statement of financial activities) | (842) | 609 |
| Adjustments for: | | |
| Depreciation charges | 671 | 637 |
| Capital grants from DfE and other capital income | (704) | (327) |
| Transfer on conversion fro Local Authority | - | (1,520) |
| Defined benefit pension scheme cost less contributions payable | 847 | 578 |
| Defined benefit pension scheme finance cost | 132 | 100 |
| Investment income | (3) | (2) |
| Increase in debtors | (105) | (29) |
| Increase in creditors | 184 | 87 |
| Net cash provided by operating activities | 180 | 133 |

21. Cash flows from financing activities

| | Group | Group |
|-------------------------|--------------|--------------|
| | 2020 | 2019 |
| | £000 | £000 |
| Repayments of borrowing | (4) | (4) |

22. Cash flows from investing activities

| | Group | Group |
|---|--------------|--------------|
| | 2020 | 2019 |
| | £000 | £000 |
| Investment income | 3 | 2 |
| Purchase of tangible fixed assets | (8) | (3) |
| Cash transferred on conversion from Local Authority | - | 260 |
| Capital grants from DfE Group | 704 | 327 |
| Net cash provided by investing activities | 699 | 586 |

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

23. Analysis of cash and cash equivalents

| | Group 2020 £000 | Group 2019 £000 |
|--------------|--|--|
| Cash in hand | 3,081 | 2,206 |

24. Analysis of changes in net debt

| | At 1 September 2019 £000 | Cash flows £000 | At 31 August 2020 £000 |
|--------------------------|---|----------------------------------|---|
| Cash at bank and in hand | 2,206 | 875 | 3,081 |
| Debt due within 1 year | (4) | - | (4) |
| Debt due after 1 year | (7) | 4 | (3) |
| | <u>2,195</u> | <u>879</u> | <u>3,074</u> |

25. Pension commitments

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

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

Contributions amounting to £228k were payable to the schemes at 31 August 2020 (2019 - £199k) and are included within creditors.

Teachers' Pension Scheme

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

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

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

25. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £1,497k (2019 - £959k).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £776k (2019 - £822k), of which employer's contributions totalled £605k (2019 - £650k) and employees' contributions totalled £171k (2019 - £172k). The agreed contribution rates for future years are 18 per cent for employers and 5.5 to 12.5 per cent for employees.

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

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

25. Pension commitments (continued)

Principal actuarial assumptions

| | 2020 | 2019 |
|--|-------------|-------------|
| | % | % |
| Rate of increase in salaries | 2.7 | 2.6 |
| Rate of increase for pensions in payment/inflation | 2.2 | 2.3 |
| Discount rate for scheme liabilities | 1.7 | 1.9 |
| Commutation of pensions to lump sums | 50 | 50 |

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

| | 2020 | 2019 |
|-----------------------------|-------------|-------------|
| | Years | Years |
| <i>Retiring today</i> | | |
| Males | 21.5 | 21.2 |
| Females | 23.7 | 23.3 |
| <i>Retiring in 20 years</i> | | |
| Males | 22.3 | 22.3 |
| Females | 25.1 | 24.7 |

Sensitivity analysis

| | 2020 | 2019 |
|-----------------------|-------------|-------------|
| | £000 | £000 |
| Discount rate -0.5% | 2,268 | 2,225 |
| Salary increase +0.5% | 149 | 269 |
| CPI rate +0.5% | 2,085 | 1,916 |

The Group's share of the assets in the scheme was:

| | 2020 | 2019 |
|-------------------------------------|--------------|--------------|
| | £000 | £000 |
| Equities | 6,687 | 6,742 |
| Bonds | 1,551 | 1,592 |
| Property | 1,163 | 843 |
| Cash | 291 | 187 |
| Total market value of assets | 9,692 | 9,364 |

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25. Pension commitments (continued)

Amount recognised in the Statement of Financial Activities

| | 2020 | 2019 |
|--|----------------|----------------|
| | £000 | £000 |
| Current service cost | (1,452) | (1,172) |
| Past service cost | - | (56) |
| Interest income | 179 | 233 |
| Interest cost | (311) | (333) |
| Total amount recognised in the consolidated statement of financial activities | (1,584) | (1,328) |

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

| | 2020 | 2019 |
|------------------------------|---------------|---------------|
| | £000 | £000 |
| At 1 September 2019 | 16,170 | 11,284 |
| Conversion of Academy Trusts | - | 662 |
| Current service cost | 1,452 | 1,172 |
| Interest cost | 311 | 333 |
| Employee contributions | 171 | 172 |
| Actuarial (gains)/losses | (341) | 2,596 |
| Benefits paid | (159) | (105) |
| Past service costs | - | 56 |
| At 31 August 2020 | 17,604 | 16,170 |

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

| | 2020 | 2019 |
|------------------------------|--------------|--------------|
| | £000 | £000 |
| At 1 September 2019 | 9,364 | 7,973 |
| Conversion of Academy Trusts | - | 250 |
| Interest income | 179 | 233 |
| Actuarial (losses)/gains | (468) | 191 |
| Employer contributions | 605 | 650 |
| Employee contributions | 171 | 172 |
| Benefits paid | (159) | (105) |
| At 31 August 2020 | 9,692 | 9,364 |

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

26. Operating lease commitments

At 31 August 2020 the total of the Group's future minimum lease payments under non cancellable operating leases was:

| | 2020 | 2019 |
|-----------------------|------------------|------------------|
| | £000 | £000 |
| Group | | |
| Within 1 year | 31 | 27 |
| Between 1 and 5 years | 56 | 72 |
| | <u>87</u> | <u>99</u> |
| | <u><u>87</u></u> | <u><u>99</u></u> |

At 31 August 2020 the Academy Trust had annual commitments under non cancellable operating leases as follows:

| | 2020 | 2019 |
|-----------------------|------------------|------------------|
| | £000 | £000 |
| Academy Trust | | |
| Within 1 year | 31 | 27 |
| Between 1 and 5 years | 56 | 72 |
| | <u>87</u> | <u>99</u> |
| | <u><u>87</u></u> | <u><u>99</u></u> |

27. Members' liability

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

28. Agency arrangements

The Academy Trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2020 the trust received £3k (2019 - £8k) and disbursed £5k (2019 - £8k) from the fund. An amount of £2k (2019 - £3k) is included in other creditors relating to undistributed funds that is repayable to ESFA.

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

29. Related party transactions

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

Expenditure Related Party Transaction

S Bindley, spouse of A Bindley, a Trustee, is employed by the Academy Trust. S Bindley's appointment was made in open competition and A Bindley was not involved in the decision-making process regarding the appointment. S Bindley is paid within the normal pay scale for their role and receives no special treatment as a result of their relationship to a Trustee.

30. Investments

Pathfinder Schools has a subsidiary undertaking, Montsaye Community Sports Centre Limited, which is a company Limited by guarantee and registered in England and Wales.

The registered office of Montsaye Community Sports Centre Limited is Greening Road, Rothwell, Northants, NN14 6BB.

| | 2020 | 2019 |
|--|-------------|-------------|
| | £000 | £000 |
| Turnover | 261 | 400 |
| Cost of sales | (5) | (7) |
| Gross profit | <u>256</u> | <u>393</u> |
| Administrative expenses | (352) | (401) |
| Other operating income | 77 | 21 |
| Operating (loss)/profit | <u>(19)</u> | <u>13</u> |
| Interest receivable and similar income | - | - |
| (Loss)/profit before tax and for the financial year | <u>(19)</u> | <u>13</u> |
| Assets | 25 | 38 |
| Liabilities | (44) | (38) |
| Funds | <u>(19)</u> | <u>-</u> |

