
PATHFINDER SCHOOLS
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

PATHFINDER SCHOOLS
(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and administrative details	1 - 2
Trustees' report	3 - 29
Governance statement	30 - 34
Statement on regularity, propriety and compliance	35
Statement of trustees' responsibilities	36
Independent auditor's report on the financial statements	37 - 40
Independent reporting accountant's assurance report on regularity	41 - 42
Consolidated statement of financial activities incorporating income and expenditure account	43 - 44
Consolidated balance sheet	45 - 46
Academy trust balance sheet	47 - 48
Consolidated statement of cash flows	49
Notes to the financial statements	50 - 79

PATHFINDER SCHOOLS
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Members	Peterborough Diocese Church Schools Mr D Mills Mr P Davies Mrs D Simpson Lane
Trustees	Mrs J Moore Mr A Bindley Mrs L Pruden, Chair Mrs A Davey*, Accounting Officer Mr C Charteris Mr A Cummings (resigned 31 March 2021) Mrs J Edwards Mrs J Woods Mr K Malde (resigned 16 September 2021) Mrs M Mottram Mrs C Green
Company registered number	07670511
Company name	Pathfinder School
Principal and registered office	Greening Road Rothwell Kettering Northamptonshire NN14 6BB
Company secretary	Mr P Leaver*

PATHFINDER SCHOOLS
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Local Governing Bodies

Mrs A Lloyd, (Chair of Governors, Montsaye Academy)
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
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

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 2021. 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 3,196 on roll in the Spring 2021 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 of three independent members and the Peterborough Diocese Church Schools Trust as shown in the reference details.

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 Schools as have Havelock Infant School and Havelock Junior School 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 2021

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.

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 not recruited any new Trustees but currently seek to replace one that has retired during the year. Generally, trustees are sourced locally and or 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 no 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.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

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.

PATHFINDER SCHOOLS
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management (continued)

h. Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the year	4
Full-time equivalent employee number	4

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	-
1%-50%	4
51%-99%	-
100%	-
Percentage of pay bill spent on facility time	£000
Total cost of facility time	0.05
Total pay bill	10,051
Percentage of total pay bill spent on facility time	0.00005 %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	12.14 %
---	---------

i. Related Parties and other Connected Charities and Organisations

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.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

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.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

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 21.

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.

PATHFINDER SCHOOLS
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

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.

Trust 4 Year Strategic Plan

	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>
PERSONNEL	Accommodation for Central team 0.6 CEO Full time CFO Clerk/Executive PA Added – recruit own HR provision	Full time CEO Full time CFO 0.6 COO Director School Improvement cross phase	Consolidation of team IT team become part of central team Review of roles and responsibilities to inform future streamlining/growth	Director of School Improvement primary phase partly funded by training arm
TRAINING ARM	Start school-based training by using Best Practice Network to train 2 x cross phase facilitators for NPQs Train 12 practitioners across MCLP schools	Train 2 tranches 12 practitioners including from outside Pathfinder Schools to create funding stream Consider Teaching school status No longer an option consider other possibilities	Growth in training to include HLTA SLE NPQ's Early Career Framework OFSTED	Further growth in training arm
SCHOOL GROWTH	Hawthorn Primary to join by September 2019 Achieved April 2019 Actively seeking further schools both phases	2 form primary annex Havelock Infant to open by September 2020 delayed due to pupil number indications from NCC – affected by COVID and BREXIT Actively seeking further schools – both phases	Actively seeking further schools - move into hub model as necessary Update: Naseby consulting to join Pathfinder Schools to be presented to RSC Dec 21 Presented to Meadowside LGB actively seeking secondary schools	Actively seeking further schools - move into hub model as necessary Plan for annex to Rothwell School delayed due to pupil number indications from NCC – affected by COVID and BREXIT

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Objectives and activities (continued)

Trust Annual Strategic Plan 2020-22

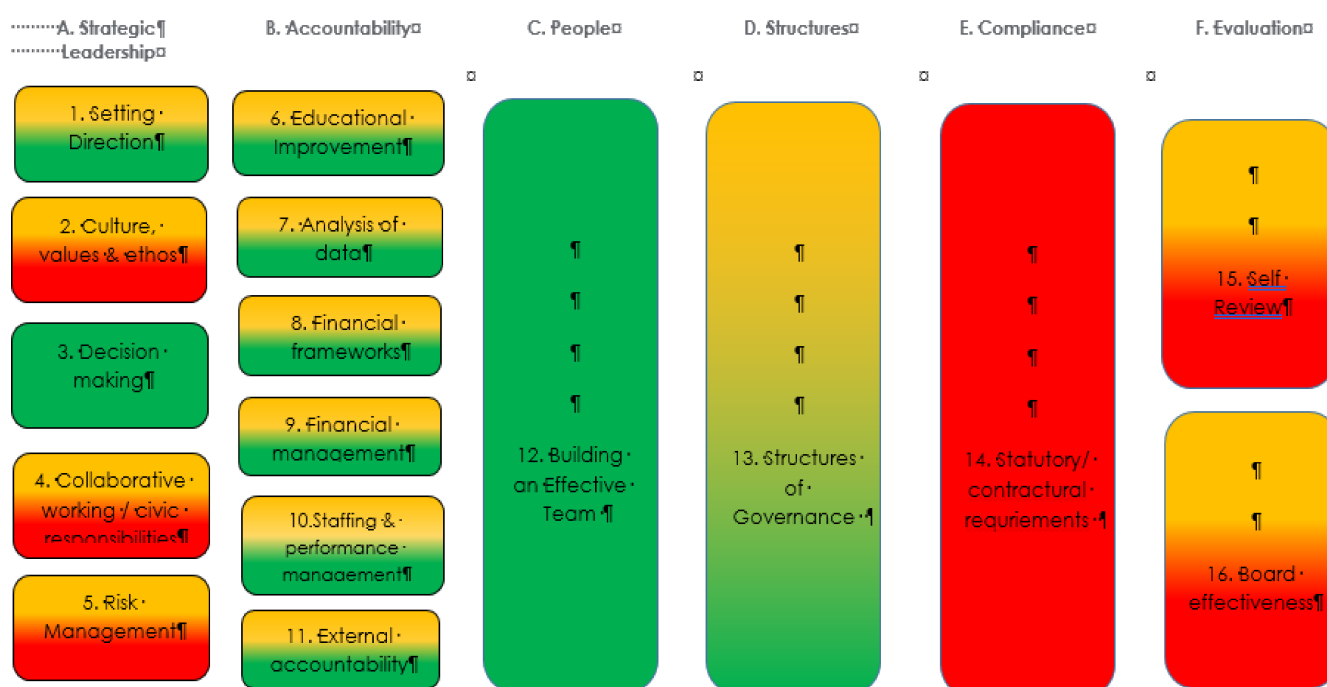
The 2-year plan was created with trustees during the strategic meeting in September 2020. It was agreed that the plan would be in place for 2 years. Progress towards the objectives are reviewed by committees and at each Trust Board meeting. The Trust Board met on 27th September 2021 to review the overall plan and realign actions to ensure they are achieving the agreed priorities. The plan will continue to be reviewed in the same way throughout the year and new priorities will be agreed in readiness for the academic year 2022-23. The Trust is taking part in a MAT Peer Review Programme run by the Education Development Trust during the year 2021-22, the results of which will inform future strategic planning.

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

Rationale for support

Self-assessment framework has highlighted key areas for development as outlined in each section below conducted during Trust Board Strategic Planning session 13-10-20



PATHFINDER SCHOOLS
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Objectives and activities (continued)

Schools Annual Strategic Plan 2020-21

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 plan

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

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 informing 2020-21 plan

HEAT Map informing 202021 Plan				
<u>Vision, Culture & Ethos</u>	<u>People & Partners</u>	<u>Teaching & Learning</u>	<u>Curriculum & assessment</u>	<u>Quality assurance & accountability</u>
<u>Clarity of purpose</u> AG	<u>Building capacity for improvement</u> AG	<u>Approach to pedagogy</u> AR	<u>Curriculum structure and alignment</u> AG	<u>Knowing schools quantitatively</u> AG
<u>Understanding of need</u> AG		<u>Leadership of teaching</u> AR		
<u>Leading a culture of improvement</u> AG	<u>Recruiting developing and retaining staff</u> AG	<u>Evidence based professional learning</u> AR	<u>Intentional use of assessment</u> AG	<u>Knowing schools qualitatively</u> AR

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 2020-21 plan

HEAT Map after self-evaluation of 202021 plan to inform 202122 plan				
<u>Vision, Culture & Ethos</u>	<u>People and Partners</u>	<u>Teaching and Learning</u>	<u>Curriculum and assessment</u>	<u>Quality assurance and accountability</u>
<u>Clarity of purpose</u> AG	<u>Building capacity for improvement</u> AG	<u>Approach to pedagogy</u> AG	<u>Curriculum structure and alignment</u> AG	<u>Knowing schools quantitatively</u> AG
<u>Understanding of need</u> AG		<u>Leadership of teaching</u> AG		
<u>Leading a culture of improvement</u> AG	<u>Recruiting developing and retaining staff</u> AG	<u>Evidence based professional learning</u> AG	<u>Intentional use of assessment</u> AG	<u>Knowing schools qualitatively</u> AG

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Objectives and activities (continued)

Heads Annual Strategic Plan 2021-22

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 plan

A review of the 2020-21 plan and completion of the self-assessment framework was undertaken by all heads during their strategic meeting on 28th September 2021. This resulted in the RAG rating as above. Heads agreed to continue with the same overall priorities in order to fully embed successes and to re-align actions in line with the self-review.

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.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Objectives and activities (continued)

d. Strategic report

Achievements and performance

<u>Name of School : Havelock Schools</u>
<u>OFSTED</u> Date: HIS March 2016 HJS June 2017 Grading: HIS Outstanding HJS Good
<u>Current Self Evaluation Grade</u> HIS: Good HJS: Good
<u>202021 SDP Priorities and state whether met or not met</u>
<u>SDP Priority 1: QUALITY OF EDUCATION including INTENT, IMPLEMENTATION AND IMPACT</u> 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 inline with National figures in all subjects. Met/Not met/Ongoing
<u>SDP Priority 2: BEHAVIOUR AND ATTITUDES</u> 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. Met/Not met/Ongoing
<u>SDP Priority 3: PERSONAL DEVELOPMENT</u> To ensure healthy minds and bodies are a central part of the curriculum for all pupils. Met/Not met/Ongoing
<u>SDP Priority 4: LEADERSHIP AND MANAGEMENT</u> 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. Met/Not met/Ongoing
<u>202122 SDP Priorities</u>
Develop the curriculum including the role and impact of subject leaders.
Further develop the MER and CPD systems and processes to enhance the impact of school improvement
Identify barriers and approaches that target the needs of the lowest achieving 20% of pupils
<u>Significant external factors</u>
<ul style="list-style-type: none">➤ COVID19 pandemic forced all schools to deliver remote learning for groups of students throughout 202021➤ Data for internal use was collected in December 2020 and July 2021 this will not be used for external or accountability purposes➤ 'Catch Up' plans are in place in all schools

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Objectives and activities (continued)

Name of School: Hawthorn Community Primary School
OFSTED Date: 17 th March 2017 Grading: Requires Improvement
Current Self Evaluation Grade - Requires Improvement
<u>202021 SDP Priorities and state whether met or not met</u>
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). Met/Not met/Ongoing
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. Met/Not met/Ongoing
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. Met/Not met/Ongoing
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. Met/Not met/Ongoing

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Objectives and activities (continued)

2021/22 SDP Priorities
Priority 1: To develop the accuracy and use of assessment by teachers across the whole process.
Priority 2: To support staff understanding of the progression and learning in maths, particularly in relation to problem solving and reasoning (with a particular emphasis on the inclusion of all pupils).
Priority 3: To build a systematic, sequenced reading curriculum based upon the foundation of strong phonics practice, which encourages a love of reading (with a particular emphasis on the inclusion of all pupils).
Significant external factors
<ul style="list-style-type: none"> ➤ COVID19 pandemic forced all schools to deliver remote learning for groups of students throughout 2020/21 ➤ Data for internal use was collected in December 2020 and July 2021 this will not be used for external or accountability purposes ➤ 'Catch Up' plans are in place in all schools
Any significant changes in staffing
<ul style="list-style-type: none"> ➤ New Headteacher - Sept 2021 ➤ Internal restructure to provide three Phase Leaders - July 2021 ➤ New maths lead – Sept 21

Name of School: Loatlands Primary School
OFSTED Date: 29.06.2016 Grading: Good
Current Self Evaluation Grade: Good
2020/21 SDP Priorities and state whether met or not met
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. Met/Not met/Ongoing
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. Met/Not met/Ongoing
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. Met/Not met/Ongoing
Priority 4: OUTCOMES Strategic Goal 4: To further improve the quality of teaching and learning by developing staff understanding of metacognition. Met/Not met/Ongoing

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Objectives and activities (continued)

2021/22 SDP Priorities
Priority 1 To develop knowledge and expertise in creating metacognitive learners
Priority 2: To strengthen the use and impact of assessment in the classroom and informing the curriculum
Priority 3: Strengthen the quality of the curriculum through enhancing the expertise of subject leaders in curriculum mapping progression, MER, and us curriculum themes and concepts
Significant external factors
<ul style="list-style-type: none"> ➤ COVID19 pandemic forced all schools to deliver remote learning for groups of students throughout 2020/21 ➤ Data for internal use was collected in December 2020 and July 2021 this will not be used for external or accountability purposes ➤ 'Catch Up' plans are in place in all schools
Any significant changes in staffing
2 members of teaching staff currently on maternity leave (1 due to return at Christmas; 1 will return next academic year)
Additional SEN support currently in place due to long term absence of AHT/SENCO

Name of School : Rothwell Schools (Rothwell Victoria Infant School & Rothwell Junior School)		
OFSTED	RVIS	RJS
Date	July 2021	January 2019
Grading	Good	Good
Current Self Evaluation Grade	Good	Good

2020/21 SDP Priorities and state whether met or not met
SDP Priority 1: QUALITY OF EDUCATION including INTENT, IMPLEMENTATION AND IMPACT <i>To embed a child-led interest-based curriculum and establish a blending learning model.</i> <ul style="list-style-type: none"> • 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 Met/Not met/Ongoing
SDP Priority 2: <i>To quality of teaching of reading and writing to raise standards across the school</i> <ul style="list-style-type: none"> • 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 Met/Not met/Ongoing

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Objectives and activities (continued)

<p>SDP Priority 3: <i>To implement a cohesive catch up strategy to address pupil needs and close gaps in learning</i></p> <ul style="list-style-type: none"> 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 <p>Met/Not met/Ongoing</p>
<p>SDP Priority 4: LEADERSHIP AND MANAGEMENT <i>To further strength the collaborative relationship between the schools</i></p> <ul style="list-style-type: none"> 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. <p>Met/Not met/Ongoing</p>
<p>202122 SDP Priorities</p>
<p>Priority Strategic goal: To develop the school curriculum to ensure it identifies the key knowledge that pupils should learn ensuring appropriate learning progression.</p> <p>Rationale for selecting goal:</p> <ul style="list-style-type: none"> Recent OFSTED inspection at RVIS (July 2021) identified the need for further clarity around the curriculum intent ensuring it is coherently planned and sequenced to support progress The skills of Subject Leaders (Curriculum Champions) need further development to support the monitoring and evaluation (impact) of the curriculum on pupil outcomes Recent learning walks identified the need for greater clarity around the use of learning objectives and success criteria to provide clarity around pupil learning. KS1 pupils found it difficult to articulate the curriculum subject area and recall their previous learning during pupil voice activities
<p>Priority Strategic goal: To improve the quality of teaching and learning of Reading and Phonics to impact on the bottom 20% of pupils to become confident readers.</p> <p>Rationale for selecting goal:</p> <ul style="list-style-type: none"> Recent OFSTED inspection at RVIS (July 2021) identified the need for: reading books to be better matched to pupils' phonics learning, further support to be given to the weakest readers and the teaching of early reading helps children to become more confident readers. The reading attainment of a number of bottom 20% readers is impacted by their lack of regular attendance at school The previous OFSTED inspection at RJS (Jan 2019) identified the need to ensure that there is a consistent approach to the teaching of reading, particularly in the teaching of higher-order reading skills and progress for disadvantaged pupils is improved so that a larger proportion reach or exceed the expected standard by the end of key stage 2 The approach to teaching reading skills is different at both schools so would benefit from a consistent model to support pupils' transition and understanding.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Objectives and activities (continued)

<p>Priority Strategic goal: To improve staff subject knowledge and the use of different teaching strategies to impact the quality of and pupil progression within Maths learning.</p> <p>Rationale for selecting goal:</p> <ul style="list-style-type: none"> • Previous catch up plan and end of year pupil assessment data identified gaps in mathematical learning due to lost learning time caused by the COVID-19 pandemic • Monitoring of pupils' work identified a need to ensure all pupils are readily exposed to the mastery learning model so get experiences of fluency, reasoning and problem solving on a regular basis • The previous OFSTED inspection at RJS (Jan 2019) identified that strategies continue to be developed and embedded to accelerate progress for all pupils in mathematics and progress for disadvantaged pupils is improved so that a larger proportion reach or exceed the expected standard by the end of key stage 2
Significant external factors
<ul style="list-style-type: none"> ➤ COVID19 pandemic forced all schools to deliver remote learning for groups of students throughout 2020/21 ➤ Data for internal use was collected in December 2020 and July 2021 this will not be used for external or accountability purposes ➤ 'Catch Up' plans are in place in all schools
Any significant changes in staffing
None

Name of School : Rushton Primary School
OFSTED Date: February 2019 Grading: Good
Current Self Evaluation Grade Good with some elements of outstanding
2020/21 SDP Priorities and state whether met or not met
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. Met/Not met/Ongoing
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 Met/Not met/Ongoing
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. Met/Not met/Ongoing
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. Met/Not met/Ongoing

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Objectives and activities (continued)

2021/22 SDP Priorities
Strengthen the curriculum intent so that it is coherently planned and sequenced towards cumulatively sufficient knowledge and skills across Science and Foundation Subjects.
To enable pupils to better understand and own their own learning by equipping them to accurately assess their own and others work
Refine the sequence of learning in maths to ensure accurate progression in depth of challenge (stars & SOLO).
To further develop writing across the school so that the needs of all pupils including the lowest 20%
Significant external factors
<ul style="list-style-type: none"> ➤ COVID19 pandemic forced all schools to deliver remote learning for groups of students throughout 2020/21 ➤ Data for internal use was collected in December 2020 and July 2021 this will not be used for external or accountability purposes ➤ 'Catch Up' plans are in place in all schools
Any significant changes in staffing
<ul style="list-style-type: none"> • Struggling to recruit for a 1:1 SEN position – just going into 3rd attempt for the morning post • A full time TA resigned during the summer holidays so currently filling the position with supply • 3 out of the 4 class teachers have changed year groups

Name of School : Wilbarston CEVC Primary School	
OFSTED Date: March 2019 Grading: Good	Diocese Date: 2015 Grading: Good
Current Self Evaluation Grade	
OFSTED	Diocese
2020/21 SDP Priorities and state whether met or not met	
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. Met/Not met/Ongoing	
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) 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 resilience, wellbeing and understanding about themselves and others. (Friendship, resilience, wellbeing.) Met/Not met/Ongoing	

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Objectives and activities (continued)

<p>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. Met/Not met/Ongoing</p>
2021/22 SDP Priorities
Priority 1: To improve staff subject knowledge in reading and writing in order to raise standards across the broad, personalised curriculum in all phases.
Priority 2: To develop children and staff social, emotional and learning skills to enable children to be more effective learners.
Priority 3: To develop leadership at all levels to enable the delivery of a broad and balanced, personalised curriculum to our children.
Significant external factors
<ul style="list-style-type: none"> ➤ COVID19 pandemic forced all schools to deliver remote learning for groups of students throughout 2020/21 ➤ Data for internal use was collected in December 2020 and July 2021 this will not be used for external or accountability purposes ➤ 'Catch Up' plans are in place in all schools
Any significant changes in staffing
<p>Substantive headteacher on secondment from Easter to Christmas. Senior teacher now acting head with 2 days of leadership time – this has been severely impacted upon by staff absence in late summer and Autumn 1 term. Substantive head to increase from 1 day to 1.5 days a week from late November.</p> <p>Teacher started mat leave early – mat cover teacher suffered bereavement and could not start for 5 weeks. Long term supply teacher also went off sick for over a week. This was covered by HLTAY3/4 teacher and short-term supply.</p>
Name of School :Montsaye Academy
<p>OFSTED Date: 14/10/19 Grading: Good</p>
Current Self Evaluation Grade - 2
2020/21 SDP Priorities and state whether met or not met
<p>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 Met/Not met/Ongoing</p>

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Objectives and activities (continued)

<p>SDP Priority 2: BEHAVIOUR AND ATTITUDES</p> <p>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</p> <p>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</p> <p>Met/Not met/Ongoing</p>
<p>SDP Priority 3: PERSONAL DEVELOPMENT</p> <p>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</p> <p>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</p> <p>Priority 3.3 Careers and enrichment to feature in all year group plans</p> <p>Met/Not met/Ongoing</p>
<p>SDP Priority 4: LEADERSHIP AND MANAGEMENT</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>Priority 4.4 To ensure that leadership at all levels is focused on self-reflection and improvement</p> <p>Met/Not met/Ongoing</p>
<p>2021/22 SDP Priorities</p>
<p>SDP PRIORITY 1: QUALITY OF EDUCATION: including INTENT, IMPLEMENTATION AND IMPACT</p> <p>Intent: The curriculum is broad and balanced and sufficiently challenging to all learners and in particular SEND and disadvantaged pupils</p> <p>Implementation: Teaching is consistent, promoting appropriate discussion about the subject matter being taught. Teaching allows for teachers to check all pupils' in particular SEND and disadvantaged, understanding systematically, identify misconceptions accurately and provide clear, direct feedback. Fundamentals of the ERA lesson are implemented across the curriculum.</p> <p>Impact: Most pupils are making progress in line with ambitious targets set</p>
<p>SDP PRIORITY 2: BEHAVIOUR AND ATTITUDES</p> <p>ERA learner attributes and Era behaviours will be the expectation of all- these high expectations will be commonly understood and applied consistently and fairly</p> <p>Attendance for all will be improving and moving towards national expectation</p>

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Objectives and activities (continued)

SDP PRIORITY 3: PERSONAL DEVELOPMENT
The progress, welfare and personal development of all pupils including their well-being is well supported through the pastoral structures
The curriculum and the school's wider work support pupils to be confident, resilient and independent, and to develop strength of character (ERA days/ERA light/Tutor time programme. All other pastoral work and interventions including the RSE curriculum will support the academy's work on equality and diversity to ensure all pupils accept and respect differences within society
SDP PRIORITY 4: LEADERSHIP AND MANAGEMENT
All Leaders have a clear and ambitious vision for providing high-quality education for all pupils. To ensure that leadership at all levels is focused on the areas in the action plan and all act as ambassadors for equality and diversity throughout the school and school community
The culture of safeguarding remains high
Significant external factors
<ul style="list-style-type: none">➤ COVID19 pandemic forced all schools to deliver remote learning for groups of students throughout 2020/21➤ Data for internal use was collected in December 2020 and July 2021 this will not be used for external or accountability purposes➤ 'Catch Up' plans are in place in all schools
Any significant changes in staffing
Maternity leave - One SLT member short in 2021/22

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 both the Autumn and Spring Terms. It had partial opening in April 2021 but has yet to return to full operational capacity due to ongoing restrictions.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Strategic report (continued)

Achievements and performance (continued)

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%	75.2	74%
Percentage of academies graded good or outstanding	100%	89%	89%
Pupil Teacher Ratio	19.75	19.15	22.48
Contact ratio	0.78	0.77	0.80
Pupil numbers in relation to capacity	95%	81.2%	81.3%
Spend per pupil on all staff*		£4,117	£3,896
Spend per pupil on non-staff costs*		£1,387	£1,131

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 2021

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 have ceased and new, independent members have been 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

Schools started 2020 in a stronger position due to the impact of the Covid lockdown as previously reported. This has enabled planned restructuring to be delayed whilst the impact of Covid and Brexit is more clearly understood in terms of future pupil numbers. Early indications are that numbers are levelling out after a few years of small declines.

At the beginning of the year, 8 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 again been 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 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 2021/2022 Trust wide, we expect reserve levels to reduce by £0.2M and then reduce again in 2022/2023 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 focused 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.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

a. Financial review (continued)

The Community Sports Centre is focused 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 funds are to be set aside. The current year Covid 19 restrictions and lockdown have impacted significantly with all activities ceasing in January 21 and despite partial reopening from April 21, 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 small loss in year. Despite this, assuming that normal levels of operations are imminent and there are no further lockdowns, the forecast position for the Centre is to return to generating a surplus in the next and subsequent years. It is anticipated that further grant funding will be available to support the replacement of the All Weather Pitch as it becomes due.

The Centre continues to be a hub for the community however, the number of visits per annum has drastically fallen and more restriction on levels of use are currently in operation.

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 £773k (2020 - £426k) resulting in balances held in these funds as follows:

- General Annual Grant £1,480k (2020 - £728k)
- General Non GAG Restricted Fund £69k (2020 - £Nil)
- General Unrestricted Fund £1,264k (2020 - £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 £1,122,000 from £2,517,000 to £3,639,000 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 £1,868,000 from £5,395,000 to £7,263,000 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 into future planning.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

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.

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.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

e. 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.

f. Streamlined energy and carbon reporting

UK Greenhouse gas emissions and energy use data for the period 1 September 2020 to 31 August 2021	
Energy consumption used to calculate emissions (kWh)	
Energy consumption breakdown (kWh) <ul style="list-style-type: none">• gas,• electricity,• oil• transport fuel	262,977 697,603 4144
<u>Scope 1 emissions in metric tonnes CO₂e</u> Gas consumption Owned transport – mini bus <u>Total Scope 1</u>	 48.35 6.28 54.63
<u>Scope 2 emissions in metric tonnes CO₂e</u> Purchased electricity	 162.64
<u>Scope 3 emissions in metric tonnes CO₂e</u> Business travel in employee owned vehicles	 4.04
Total gross emissions in metric tonnes CO ₂ e	221.31
<u>Intensity ratio</u> Tonnes CO ₂ e per pupil	 0.069 tCO ₂ per pupil

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Quantification and reporting methodology

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

Intensity measurement

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

Measures taken to improve energy efficiency

During 2020, the trust 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 by 2023. 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. The Trust has sought funding from the Low Carbon Skills Fund to further its objectives with regards to its environmental strategy. This is expected in the next year.

Plans for future periods

Future plans are detailed in the Trust 4 Year Strategic Plan and School Development Plans earlier in the report.

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.

PATHFINDER SCHOOLS
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Auditor

The auditor, Mazars LLP, has indicated their 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 Dec 8, 2021 and signed on its behalf by:

Lisa Pruden
Lisa Pruden (Dec 8, 2021 11:03 GMT)

.....
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 able to deliver the appropriate challenge necessary and for the Trustees to be more effective in their roles. Through these sub committees the Trust has much more detailed oversight of the activities and affairs of the Trust and its schools.

The full Board of Trustees met on 6 occasions during 20/21 and Committees met between 3 and 6 times, dependent on workload. The Finance, Audit and Risk Committee met 5 times, the Quality and Standards Committee met 6 times, the Personnel, Pay and Performance Committee met 3 times and the Safeguarding and Inclusion Committee met 3 times. All Trustees are members of at least one Committee, with the Personnel, Pay and Performance Committee made up of the Chairs of the other 3 Committees along with other Trustees.

Trustee	Meetings attended	Out of a possible
Mrs J Moore	11	14
Mr A Bindley	13	13
Mrs L Pruden, Chair	13	13
Mrs A Davey*, CEO and Accounting Officer	20	20
Mr C Charteris	11	12
Mr A Cummings (resigned 31 March 2021)	6	6
Mrs J Edwards	11	11
Mrs J Woods	14	14
Mr K Malde (resigned 16 September 2021) (sabbatical from 1 September 2020 to 31 August 2021)	0	0
Mrs M Mottram	9	11
Mrs C Green (sabbatical from 1 January 2021 to 31 August 2021)	4	4

During the year, no new Trustees have joined the board. One Trustee resigned due to personal reasons. Two Trustees took a sabbatical due to issues arising from the Coronavirus Pandemic.

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 2019/2020, 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 (one resigned in March 2021) 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	5	5
Mr A Cummings	3	3
Mrs M Mottram	5	5
Mr S Ross	5	5

Risk is an area which is addressed through the Committee structure, with each meeting discussing risk as an agenda item, and then the final agenda item identifying any additional areas of risk arising from discussion. These feed into the discussions around risk at the Trust Board meetings.

The Trust Board and its Committees continue to use a wide variety of data and systems to monitor performance and to inform discussions. Data requirements were discussed in detail during 2020/21 to ensure that Trustees continued to receive information that was relevant to their role and able to provide strategic oversight of the schools.

An external Governance Review is planned for 2021/22. The Board undertook a strategic training session with an external trainer in September 2020, and undertook a strategic self-evaluation based on the Confederation for Schools Trust template in October 2020, this was used to drive the two year Strategic Plan.

The Coronavirus pandemic and the impact on both education and the wellbeing of both staff and pupils have been an overarching area of discussion during the year. The ability to meet virtually has meant that meetings have gone ahead as planned and attendance has been very good.

GOVERNANCE STATEMENT (CONTINUED)

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

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 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Trust's significant risks, that has been in place for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

GOVERNANCE STATEMENT (CONTINUED)

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

The reviewer reports to the Board of Trustees, through the Audit and Risk Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities and annually prepares a summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress. The reviewer has delivered the schedule of work as planned and the trust has drawn up an action plan to deal with the issues raised during the year with the majority concluded before year end. Outstanding issues will be carried forward and dealt with in the new financial year.

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 of work of SBM Consultancy Ltd;
- the work of the external auditor;
- the school resource management self-assessment tool; and
- 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:

Lisa Pruden
Lisa Pruden (Dec 8, 2021 11:03 GMT)

.....
Mrs L Pruden
Chair of Trustees

Date: Dec 8, 2021

Ann Davey
Ann Davey (Dec 8, 2021 11:00 GMT)

.....
Mrs A Davey
Accounting Officer

Date: Dec 8, 2021

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 2020.

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 2020.

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


Ann Davey (Dec 8, 2021 10:00 GMT)

.....
Mrs A Davey
Accounting Officer

Date: Dec 8, 2021

PATHFINDER SCHOOLS
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2021

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including 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 2020 to 2021;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the 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 charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

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

Lisa Pruden
Lisa Pruden (Dec 8, 2021 11:03 GMT)

.....
Mrs L Pruden
Chair of Trustees

Date: Dec 8, 2021

**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 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Academy Trust Balance Sheet, the Consolidated Statement of Cash Flows and notes to the financial statements, 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 2020 to 2021 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 as at 31 August 2021 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 Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and Academies Accounts Direction 2020 to 2021.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

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

Other information

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

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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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 incorporated Strategic Report.

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

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

**INDEPENDENT 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 36, 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Based on our understanding of the Academy Trust and its industry, we identified that the principal risks of non-compliance with laws and regulations related to the funding agreement with the Department of Education, UK tax legislation, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud, money laundering, non-compliance with implementation of government support schemes relating to COVID-19, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021.

We evaluated the Trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates and significant one-off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with the Trustees and management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the Academy Trust which were contrary to applicable laws and regulations, including fraud.

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

Auditor's responsibilities for the audit of the financial statements (continued)

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the Trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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 (Dec 8, 2021 12:48 GMT)

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: Dec 8, 2021

**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 6 October 2021 and further to the requirements of the Education and Skills Funding Agency (the ESFA) as included in the extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts, 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 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to 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 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts. 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 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by 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 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Mazars LLP

Mazars LLP (Dec 8, 2021 12:50 GMT)

Mazars LLP
Chartered Accountants
Statutory Auditor

6 Dominus Way
Meridian Business Park
Leicester
LE19 1RP

Date: Dec 8, 2021

PATHFINDER SCHOOLS
(A Company Limited by Guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021**

		Unrestricted funds 2021 £000	Restricted funds 2021 £000	Restricted fixed asset funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
	Note					
Income from:						
Donations and capital grants:	3					
Other donations and capital grants		29	-	959	988	735
Charitable activities:						
Other trading activities	5	147	1	-	148	361
Investments	6	1	-	-	1	3
Funding for the Academy Trust's educational operations	4	103	16,474	-	16,577	15,476
Total income		280	16,475	959	17,714	16,575
Expenditure on:						
Raising funds	7	256	-	-	256	388
Charitable activities:						
Academy Trust educational operations	7	72	16,589	1,801	18,462	17,029
Total expenditure		328	16,589	1,801	18,718	17,417
Net (expenditure) /income		(48)	(114)	(842)	(1,004)	(842)

PATHFINDER SCHOOLS
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

		Unrestricted funds 2021 £000	Restricted funds 2021 £000	Restricted fixed asset funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
	Note					
Net (expenditure) /income		(48)	(114)	(842)	(1,004)	(842)
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	25	-	(2,055)	-	(2,055)	(127)
Net movement in funds		<u>(48)</u>	<u>(2,169)</u>	<u>(842)</u>	<u>(3,059)</u>	<u>(969)</u>
Reconciliation of funds:						
Total funds brought forward		1,312	(7,184)	26,615	20,743	21,712
Net movement in funds		(48)	(2,169)	(842)	(3,059)	(969)
Total funds carried forward		<u>1,264</u>	<u>(9,353)</u>	<u>25,773</u>	<u>17,684</u>	<u>20,743</u>

PATHFINDER SCHOOLS
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07670511

CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2021

	Note	2021 £000	2020 £000
Fixed assets			
Tangible assets	14	25,615	26,241
		<u>25,615</u>	<u>26,241</u>
Current assets			
Debtors	15	807	441
Cash at bank and in hand	23	3,473	3,081
		<u>4,280</u>	<u>3,522</u>
Liabilities			
Creditors: Amounts falling due within one year	16	(1,308)	(1,105)
		<u>2,972</u>	<u>2,417</u>
Net current assets			
		<u>28,587</u>	<u>28,658</u>
Total assets less current liabilities			
Creditors: Amounts falling due after more than one year	17	(1)	(3)
		<u>28,586</u>	<u>28,655</u>
Net assets excluding pension liability			
Defined benefit pension scheme liability	25	(10,902)	(7,912)
		<u>17,684</u>	<u>20,743</u>
Total net assets		<u><u>17,684</u></u>	<u><u>20,743</u></u>
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	18	25,773	26,615
Restricted income funds	18	1,549	728
		<u>27,322</u>	<u>27,343</u>
Restricted funds excluding pension liability	18	(10,902)	(7,912)
Pension reserve	18		
		<u>16,420</u>	<u>19,431</u>
Total restricted funds	18		
Unrestricted income funds	18	1,264	1,312
		<u>17,684</u>	<u>20,743</u>
Total funds		<u><u>17,684</u></u>	<u><u>20,743</u></u>

PATHFINDER SCHOOLS
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07670511

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2021

The financial statements on pages 43 to 79 were approved and authorised for issue by the Trustees and are signed on their behalf, by:

Lisa Pruden
Lisa Pruden (Dec 8, 2021 11:03 GMT)

.....
Mrs L Pruden
Chair of Trustees

Date: Dec 8, 2021

The notes on pages 50 to 79 form part of these financial statements.

PATHFINDER SCHOOLS
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07670511

ACADEMY TRUST BALANCE SHEET
AS AT 31 AUGUST 2021

	Note	2021 £000	2020 £000
Fixed assets			
Tangible assets	14	25,615	26,241
		<u>25,615</u>	<u>26,241</u>
Current assets			
Debtors	15	836	489
Cash at bank and in hand		3,463	3,062
		<u>4,299</u>	<u>3,551</u>
Creditors: amounts falling due within one year	16	(1,298)	(1,115)
Net current assets		<u>3,001</u>	<u>2,436</u>
Total assets less current liabilities		<u>28,616</u>	<u>28,677</u>
Creditors: amounts falling due after more than one year	17	(1)	(3)
Net assets excluding pension liability		<u>28,615</u>	<u>28,674</u>
Defined benefit pension scheme liability	25	(10,902)	(7,912)
Total net assets		<u><u>17,713</u></u>	<u><u>20,762</u></u>
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	18	25,773	26,615
Restricted income funds	18	1,549	728
		<u>27,322</u>	<u>27,343</u>
Restricted funds excluding pension liability	18	27,322	27,343
Pension reserve	18	(10,902)	(7,912)
Total restricted funds	18	<u>16,420</u>	<u>19,431</u>
Unrestricted funds	18	1,293	1,331
Total funds		<u><u>17,713</u></u>	<u><u>20,762</u></u>

PATHFINDER SCHOOLS
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07670511

ACADEMY TRUST BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2021

The financial statements on pages 43 to 79 were approved and authorised for issue by the Trustees and are signed on their behalf, by:

Lisa Pruden

Lisa Pruden (Dec 8, 2021 11:03 GMT)

.....
Mrs L Pruden
Chair of Trustees

Date: Dec 8, 2021

The notes on pages 50 to 79 form part of these financial statements.

PATHFINDER SCHOOLS
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	2021 £000	2020 £000
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	20	(536)	180
Cash flows from investing activities	22	931	699
Cash flows from financing activities	21	(3)	(4)
Change in cash and cash equivalents in the year		392	875
Cash and cash equivalents at the beginning of the year		3,081	2,206
Cash and cash equivalents at the end of the year	23, 24	<u>3,473</u>	<u>3,081</u>

The notes on pages 50 to 79 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

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

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 2021

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.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.4 Expenditure (continued)

• **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:

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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

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.

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 2021

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 net income/(expenditure) are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the 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 the ESFA. Payments received from the ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Academy Trust does not have control over the charitable application of the funds. The funds received and paid and any balances held are disclosed in note 27.

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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

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 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3. Income from donations and capital grants

	Unrestricted funds 2021 £000	Restricted fixed asset funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Other donations	29	-	29	31
Capital Grants	-	959	959	704
Total 2021	<u>29</u>	<u>959</u>	<u>988</u>	<u>735</u>
Total 2020	<u>31</u>	<u>704</u>	<u>735</u>	

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

4. Funding for the Academy Trust's educational operations

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
DfE/ESFA grants				
General Annual Grant (GAG)	-	13,363	13,363	12,515
Pupil Premium	-	756	756	755
Start Up Grants	-	-	-	15
UIFSM	-	267	267	286
Teachers' Pay Grant	-	173	173	159
Teachers' Pension Grant	-	491	491	455
Other Grants	-	257	257	268
	-	15,307	15,307	14,453
Other Government grants				
Local Authority Grants	-	722	722	588
COVID-19 additional funding (DfE/ESFA)				
Catch up premium	-	238	238	-
COVID-19 additional funding (non-DfE/ESFA)				
Coronavirus Job Retention Scheme Grant	63	-	63	77
Other Coronavirus Funding	24	28	52	-
	87	988	1,075	665
Other income from the Academy Trust's educational operations	16	179	195	358
Total 2021	103	16,474	16,577	15,476
Total 2020	123	15,353	15,476	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

4. Funding for the Academy Trust's educational operations (continued)

The Academy Trust received £238k of funding for catch up premium and costs incurred in respect of this funding totalled £169k with the remaining £69k spent in 2021/2022.

The Academy Trust furloughed some of its gym and sports centre staff under the government's CJRS.

The funding received of £63k (2020 - 77k) relates to staff costs which are included within note 10 below as appropriate.

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

5. Income from other trading activities

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Hire of facilities	146	-	146	266
Income from ancillary trading activities	1	1	2	95
Total 2021	147	1	148	361
Total 2020	361	-	361	

6. Investment income

	Unrestricted funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Short term deposits	1	1	3
Total 2020	3	3	

PATHFINDER SCHOOLS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

7. Expenditure

	Staff Costs 2021 £000	Premises 2021 £000	Other 2021 £000	Total 2021 £000	Total 2020 £000
Expenditure on raising funds:					
Allocated support costs	228	-	28	256	388
Academy Trust's educational operations:					
Direct costs	11,483	479	1,158	13,120	12,420
Allocated support costs	2,601	1,844	897	5,342	4,609
Total 2021	14,312	2,323	2,083	18,718	17,417
Total 2020	13,731	1,409	2,277	17,417	

8. Charitable activities

	2021 £000	2020 £000
Direct costs - educational operations	13,120	12,420
Support costs - educational operations	5,342	4,609
	18,462	17,029
Support costs	2021 £000	2020 £000
Support staff costs	2,600	2,637
Depreciation	176	192
Technology costs	239	293
Premises costs	1,845	929
Legal costs - other	7	18
Other support costs	401	417
Governance costs	74	123
	5,342	4,609

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

9. Net (expenditure)/income

Net (expenditure)/income for the year includes:

	2021 £000	2020 £000
Operating lease rentals	35	33
Depreciation of tangible fixed assets	655	671
Fees payable to auditor for:		
- audit	16	15
- other services	6	6
	<u> </u>	<u> </u>

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	Group 2021 £000	Group 2020 £000	Academy Trust 2021 £000	Academy Trust 2020 £000
Wages and salaries	10,116	9,596	9,984	9,365
Social security costs	916	850	911	843
Pension costs	3,150	3,086	3,130	3,060
	<u>14,182</u>	<u>13,532</u>	<u>14,025</u>	<u>13,268</u>
Agency staff costs	130	199	130	199
	<u>14,312</u>	<u>13,731</u>	<u>14,155</u>	<u>13,467</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

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 2021 No.	Group 2020 No.
Teachers	167	170
Administration and support	331	315
Management	26	27
	<u>524</u>	<u>512</u>

c. Higher paid staff

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

	Group 2021 No.	Group 2020 No.
In the band £60,001 - £70,000	6	5
In the band £70,001 - £80,000	2	1
In the band £90,001 - £100,000	2	2
	<u>2</u>	<u>2</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 £833k (2020 - £829k).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

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:

		2021	2020
		£000	£000
Mrs A Davey, Accounting Officer	Remuneration	95 - 100	90 - 95
	Pension contributions paid	20 - 25	20 - 25

During the year ended 31 August 2021, travel expenses totalling £NIL were reimbursed or paid directly to Trustees (2020- £605 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 2021 was £68k (2020 - £67k). The cost of this insurance is included in the total insurance cost.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

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 3.95% for MA and 4.1% for the rest of the schools.

The actual amounts charged during the year were as follows:

	2021 £000	2020 £000
Havelock Infants School	39	35
Havelock Junior School	53	47
Rothwell Victoria Infants School	48	45
Rothwell Junior School	61	56
Loatlands Primary School	60	54
Rushton Primary School	19	17
Wilbarston Primary School	19	17
Hawthorn Community Primary School	48	42
Montsaye Academy	203	175
Total	550	488

PATHFINDER SCHOOLS
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

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 2020	27,983	1,672	23	846	627	31,151
Additions	-	-	-	-	29	29
At 31 August 2021	27,983	1,672	23	846	656	31,180
Depreciation						
At 1 September 2020	3,851	40	23	397	599	4,910
Charge for the year	479	28	-	108	40	655
At 31 August 2021	4,330	68	23	505	639	5,565
Net book value						
At 31 August 2021	23,653	1,604	-	341	17	25,615
At 31 August 2020	24,132	1,632	-	449	28	26,241

15. Debtors

	Group 2021 £000	Group 2020 £000	Academy Trust 2021 £000	Academy Trust 2020 £000
Due within one year				
Trade debtors	279	13	276	10
Amounts owed by group undertakings	-	-	36	54
VAT Recoverable	248	99	248	99
Prepayments and accrued income	277	329	273	326
Other debtors	3	-	3	-
	807	441	836	489

PATHFINDER SCHOOLS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

16. Creditors: Amounts falling due within one year

	Group 2021 £000	Group 2020 £000	Academy Trust 2021 £000	Academy Trust 2020 £000
Other loans	3	4	3	4
Trade creditors	241	86	246	101
Other taxation and social security	205	189	200	188
Other creditors	325	247	318	247
Accruals and deferred income	534	579	531	575
	<u>1,308</u>	<u>1,105</u>	<u>1,298</u>	<u>1,115</u>
	Group 2021 £000	Group 2020 £000	Company 2021 £000	Company 2020 £000
Deferred income				
Deferred income at 1 September 2020	173	230	173	230
Resources deferred during the year	162	173	162	173
Amounts released from previous years	(172)	(230)	(172)	(230)
Deferred income at 31 August 2021	<u>163</u>	<u>173</u>	<u>163</u>	<u>173</u>

At 31 August 2021, the deferred income was made up of £156k (2020 - £160k) in relation to Universal Infant Free School Meals, £Nil (2020 - £6k) in relation to other grants and £Nil (2020 - £7k) in relation to trips and £7k (2020 - £Nil) of other income.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

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

	Group 2021 £000	Group 2020 £000	Academy Trust 2021 £000	Academy Trust 2020 £000
Other loans	1	3	1	3

Included within the above are amounts falling due as follows:

	Group 2021 £000	Group 2020 £000	Company 2021 £000	Company 2020 £000
Between one and two years				
Other loans	1	3	1	3

Loans of £4k is in relation to an approved ESFA loan via the Salix Loan program for capital projects. The loan is interest free, unsecured and bi-annually repayable at £1,250 via a General Annual Grant Sacrifice.

PATHFINDER SCHOOLS
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

18. Statement of funds

	Balance at 1 September 2020 £000	Income £000	Expenditure £000	Gains/ (Losses) £000	Balance at 31 August 2021 £000
Unrestricted funds					
General Funds	1,312	280	(328)	-	1,264
Restricted general funds					
General Annual Grant (GAG)	728	13,363	(12,611)	-	1,480
Pupil Premium	-	755	(755)	-	-
UIFSM	-	267	(267)	-	-
Teachers' Pay Grant	-	173	(173)	-	-
Teachers' Pension Grant	-	491	(491)	-	-
Catch Up Premium	-	238	(169)	-	69
Other Coronavirus Funding	-	28	(28)	-	-
Other Restricted Funds	-	1,160	(1,160)	-	-
Pension reserve	(7,912)	-	(935)	(2,055)	(10,902)
	(7,184)	16,475	(16,589)	(2,055)	(9,353)
Restricted fixed asset funds					
Transfer on conversion	24,645	-	(498)	-	24,147
DfE Group capital grants	1,785	959	(1,288)	-	1,456
Capital expenditure from other funds	185	-	(15)	-	170
	26,615	959	(1,801)	-	25,773
Total Restricted funds	19,431	17,434	(18,390)	(2,055)	16,420
Total funds	20,743	17,714	(18,718)	(2,055)	17,684

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

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 2021.

PATHFINDER SCHOOLS
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

18. Statement of funds (continued)

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

	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)	-	-
UIFSM	-	286	(286)	-	-
Teachers' Pay Grant	-	159	(159)	-	-
Teachers' Pension Grant	-	455	(455)	-	-
Other Restricted Funds	-	1,168	(1,168)	-	-
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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

18. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2021 were allocated as follows:

	2021 £000	2020 £000
Havelock Infants School	319	160
Havelock Junior School	343	205
Rothwell Victoria Infants School	222	173
Rothwell Junior School	325	202
Wilbarston Primary School	122	107
Rushton Primary School	135	117
Loatlands Primary School	430	318
Hawthorn Community Primary School	413	325
Montsaye Academy	510	320
Montsaye Community Sports Centre	(22)	(19)
Pathfinder Schools	16	132
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	2,813	2,040
Restricted fixed asset fund	25,773	26,615
Pension reserve	(10,902)	(7,912)
	<hr/>	<hr/>
Total	17,684	20,743
	<hr/> <hr/>	<hr/> <hr/>

Montsaye Community Sports Centre are carrying a net deficit of £22k because any profits are gift aided to the Academy Trust, meaning when losses are incurred there are no reserves to offset these losses.

PATHFINDER SCHOOLS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

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 2021 £000	Total 2020 £000
Havelock Infants School	804	112	48	231	1,195	1,139
Havelock Junior School	1,133	102	53	244	1,532	1,626
Rothwell Victoria Infants School	1,053	135	49	324	1,561	1,432
Rothwell Junior School	1,363	102	58	395	1,918	1,711
Wilbarston Primary School	346	41	46	118	551	548
Rushton Primary School	380	49	39	99	567	554
Loatlands Primary School	1,351	164	78	347	1,940	1,830
Hawthorn Community Primary School	986	105	62	388	1,541	1,326
Montsaye Academy	3,864	762	377	1,243	6,246	5,641
Montsaye Community Sports Centre	-	157	-	76	233	357
Central services	224	164	32	359	779	580
Academy Trust	11,504	1,893	842	3,824	18,063	16,744

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

19. Analysis of net assets between funds

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Restricted fixed asset funds 2021 £000	Total funds 2021 £000
Tangible fixed assets	-	-	25,615	25,615
Current assets	1,264	2,858	158	4,280
Creditors due within one year	-	(1,308)	-	(1,308)
Creditors due in more than one year	-	(1)	-	(1)
Provisions for liabilities and charges	-	(10,902)	-	(10,902)
Total	1,264	(9,353)	25,773	17,684

Analysis of net assets between funds - prior year

	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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

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

	2021 £000	2020 £000
Net expenditure for the year (as per Statement of Financial Activities)	(1,004)	(842)
Adjustments for:		
Depreciation	655	671
Capital grants from DfE and other capital income	(959)	(704)
Defined benefit pension scheme cost less contributions payable	793	847
Defined benefit pension scheme finance cost	142	132
Investment income	(1)	(3)
Increase in debtors	(366)	(105)
Increase in creditors	204	184
Net cash (used in)/provided by operating activities	(536)	180

21. Cash flows from financing activities

	Group 2021 £000	Group 2020 £000
Repayments of borrowing	(3)	(4)

22. Cash flows from investing activities

	Group 2021 £000	Group 2020 £000
Investment income	1	3
Purchase of tangible fixed assets	(29)	(8)
Capital grants from DfE Group	959	704
Net cash provided by investing activities	931	699

PATHFINDER SCHOOLS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

23. Analysis of cash and cash equivalents

	Group 2021 £000	Group 2020 £000
Cash in hand and at bank	3,473	3,081

24. Analysis of changes in net debt

	At 1 September 2020 £000	Cash flows £000	At 31 August 2021 £000
Cash at bank and in hand	3,081	392	3,473
Debt due within 1 year	(4)	1	(3)
Debt due after 1 year	(3)	2	(1)
	<u>3,074</u>	<u>395</u>	<u>3,469</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 2019.

Contributions amounting to £257k were payable to the schemes at 31 August 2021 (2020 - £228k) 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 2021

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 £1,619k (2020 - £1,497k).

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

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The 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 2021 was £775k (2020 - £776k), of which employer's contributions totalled £593k (2020 - £605k) and employees' contributions totalled £182k (2020 - £171k). 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

25. Pension commitments (continued)

Principal actuarial assumptions

	2021 %	2020 %
Rate of increase in salaries	3.4	2.7
Rate of increase for pensions in payment/inflation	2.9	2.2
Discount rate for scheme liabilities	1.65	1.7
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:

	2021 Years	2020 Years
Retiring today		
Males	21.7	21.5
Females	24.1	23.7
Retiring in 20 years		
Males	22.8	22.3
Females	25.8	25.1

Sensitivity analysis on the defined benefit obligations

	2021 £000	2020 £000
Discount rate -0.5%	2,875	2,268
Salary increase +0.5%	170	149
CPI rate +0.5%	2,665	2,085

Share of scheme assets

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

	2021 £000	2020 £000
Equities	8,234	6,687
Bonds	2,458	1,551
Property	1,475	1,163
Cash	123	291
Total market value of assets	12,290	9,692

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

25. Pension commitments (continued)

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

	2021	2020
	£000	£000
Current service cost	(1,386)	(1,452)
Interest income	169	179
Interest cost	(311)	(311)
Total amount recognised in the Consolidated Statement of Financial Activities	(1,528)	(1,584)

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

	2021	2020
	£000	£000
At 1 September 2020	17,604	16,170
Current service cost	1,386	1,452
Interest cost	311	311
Employee contributions	182	171
Actuarial losses/(gains)	3,864	(341)
Benefits paid	(155)	(159)
At 31 August 2021	23,192	17,604

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

	2021	2020
	£000	£000
At 1 September 2020	9,692	9,364
Interest income	169	179
Actuarial gains/(losses)	1,809	(468)
Employer contributions	593	605
Employee contributions	182	171
Benefits paid	(155)	(159)
At 31 August 2021	12,290	9,692

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

26. Operating lease commitments

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

	2021 £000	2020 £000
Group		
Within 1 year	35	31
Between 1 and 5 years	31	56
	<hr/>	<hr/>
	66	87
	<hr/>	<hr/>

27. Agency arrangements

The Academy Trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2021 the trust received £6k (2020 - £3k) and disbursed £4k (2020 - £5k) from the fund. An amount of £4k (2020 - £2k) is included in other creditors relating to undistributed funds that is repayable to the ESFA.

28. 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

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 was remunerated £31k (including employers pension contributions) and is paid within the normal pay scale for their role and receives no special treatment as a result of their relationship to a Trustee.

S Clubley, spouse of J Clubley, a member of the senior management team, is employed by the Academy Trust. S Clubley's appointment was made in open competition and J Clubley was not involved in the decision-making process regarding the appointment. S Clubley was remunerated £13k (including employers pension contributions) and is paid within the normal pay scale for their role and receives no special treatment as a result of their relationship to a member of the senior management team.

PATHFINDER SCHOOLS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

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.

	2021 £000	2020 £000
Turnover	167	261
Cost of sales	(1)	(5)
Gross profit	<u>166</u>	<u>256</u>
Administrative expenses	(232)	(352)
Other operating income	63	71
Operating (loss)/profit	<u>(3)</u>	<u>(25)</u>
Interest receivable and similar income	-	-
(Loss)/profit before tax and for the financial year	<u>(3)</u>	<u>(25)</u>
Assets	24	25
Liabilities	(46)	(44)
Funds	<u><u>(22)</u></u>	<u><u>(19)</u></u>