

Company Registration Number: 07462530 (England & Wales)

PIONEER EDUCATIONAL TRUST
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

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PIONEER EDUCATIONAL TRUST
(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS

(Members and Directors/Trustees)	<p>K Gill, Local Governor representative (resigned 8 September 2020) G May, Chair (from 7 October 2019) (resigned 31 December 2019)¹ M Hernandez Estrada M Jervis, Local representative and Vice Chair, Acting Chair from 1 January 2020 (re-elected 7 October 2019)² R Sharma, Chair of UCGS LGB (re-appointed 25 September 2019) E Neighbour, Co CEO and Accounting Officer^{1,3} A Spinks, Co CEO³ S Badhan, Co-opted³ L Hergarty, Co-opted, Head of Human Resources³ D Sohal, Co-opted, Head of Finance and Audit (resigned 11 October 2019)^{1,3} M Roper, Co-opted (re-appointed 6 February 2020)^{1,2,3} A Le Poidevin, Co-opted, Head of Finance and Audit (appointed 4 December 2019)^{1,3} S Veeran, Co-opted (appointed 20 July 2020)³</p> <p>¹ Finance and Audit committee ² Pay and Conditions Committee ³ Director/Trustee Only</p>
Company registered number	07462530
Company name	Pioneer Educational Trust
Principal and registered office	<p>Upton Court Grammar School Lascelles Road Upton Berkshire SL3 7PR</p>
Company secretary	S I Sarll
Senior management team	<p>E Neighbour, Co-CEO and Accounting Officer A Spinks, Co-CEO S I Sarll, Chief Financial Officer N Chandler (Resigned 31 August 2020), Head of Trevelyan Middle School M Pritchard, Head of Upton Court Grammar School P Sweetman, Head of Foxborough Primary School</p>
Independent auditors	<p>Landau Baker Limited Chartered Accountants Statutory Auditors 154 Brent Street London NW12 2DR</p>

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

Bankers	HSBC Bank 128 High Street Slough Berkshire SL1 1JF
Internal Auditor	UHY Hacker Young LLP 4 Thomas More Square London E1W 1YW

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

Annual financial statements

The Trustees present their annual report together with the consolidated financial statements of the Academy Trust and its subsidiary and auditor's report of the Pioneer Educational Trust ('the Charitable Company' or 'the Trust' or "Pioneer") and the group for the period 1 September 2019 to 31 August 2020. The annual report serves the purposes of both a Trustees' report, and a Directors' report under company law. The Trust operates a primary, middle and one secondary Academy in Berkshire. Its academies have a combined pupil capacity of 1,925 and had a roll of 1,840 from the Autumn 2019 pupil census. The subsidiary supplied two other schools in the area with school meals.

Structure, Governance and Management

Constitution

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

The Charitable Company's memorandum and articles of association are the primary governing documents of the Trust

The appointed Trustees of Pioneer Educational Trust Limited are the Members and also the Directors of the Charitable Company for the purposes of company law. Co-opted Trustees and the two CEOs are Directors/Trustees only.

The Charitable Company is known as Pioneer Educational Trust.

Details of the Trustees and Senior Leadership Team members who served during the year 1 September 2019 to 31 August 2020 are included in the Reference and Administrative Details on page 1.

Members' Liability

Each member of the Trust 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' Indemnities

Subject to the provisions of the Companies Act 2006 every Trustee, Governor or other officer of the Trust shall be indemnified out of the assets of the Trust against any liability incurred by him/her in that capacity in defending any proceedings, whether civil or criminal, in which judgment is given in favour or in which he/she is acquitted or in connection with any applications in which relief is granted to him/her by the court from liability for negligence, default, breach of duty or breach of Trust in relation to the affairs of the Trust.

A Director may benefit from any indemnity insurance purchased at the Trust's expense to cover the liability of the Directors 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 any claim arising from any act or omission which the Directors knew to be a breach of Trust or breach of duty or which was committed by the Directors reckless disregard to whether it was a breach of Trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Directors in their capacity as Directors of the Trust.

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

Structure, Governance and Management (continued)

Method of Recruitment and Appointment or Election of Trustees

The management of the Trust is the responsibility of the Trustees who are elected and co-opted under the articles of association and funding agreement. The recruitment and succession planning of the Trustees must reflect Pioneer's ambitions of expansion over the next five years.

The skills profile of the Board must reflect the governance needs of the Trust and hence co-opted Trustees are sought who provide a broad skill such as Finance, Risk, Audit, Human Resources, Education Performance and Curriculum, Strategic Partnerships, External Relationships and Public Relations, Estates and Property, Health & Safety and Safeguarding as well as Leadership and Policy where this is not present within existing Trustees. Skills audits are undertaken each year to determine where there are gaps.

The Trust has the following Trustee method of appointment:

- The number of Directors is not subject to a maximum but there shall not be less than three.
- The following Directors shall be appointed:
 - a. The Co-Chief Executive Officers (Co CEO's)
 - b. Up to 1 Finance and Audit Director
 - c. Up to 1 Human Resources Director
 - d. Up to 4 Academy Directors
 - e. Up to one member of the Educational Standards Board of each Academy
 - f. The UCGS Chair and UCGS Vice Chair
 - g. A minimum of 2 Parent Directors unless each Academy's Educational Standards Board or Advisory Body, as the case may be, include at least two Parent members.

The Trust may also have Co-opted Directors/Trustees; recruitment of the Co-opted Trustees starts with a nomination being made. Prospective Trustees are then interviewed by a Co-CEO and Chair of Trustees or a member of the nominations committee and depending on their experience may be invited to attend a number of meetings before a decision is made by the Trustees to appoint.

The term of office for any Trustee shall be three years, save that this time limit shall not apply to the Co-CEO's, UCGS Chair and UCGS Vice Chair. Subject to remaining eligible to be a particular type of Director, any Director may be re-appointed or re-elected.

Policies and Procedures Adopted for the Induction and Training of Trustees

The Trust undertakes its own induction and training of Trustees. Training is provided internally by our Senior Leadership Team or externally by our professional advisors. Access to The Key (a national information service for school leaders & Governors) and National Governance Association (a representative body) is available to the governors, Trustees and Senior Leadership Team to keep them up-to-date on relevant changes in legislation and on best practice. A comprehensive range of courses are offered to the Trustees. These are:

- Induction training
- In house training, including customised sessions on specific subjects
- Briefing papers and publications

Training and Induction for new Trustees will depend on their existing experience. All new Trustees are given the opportunity to tour one of the Trust schools and a chance to meet staff and pupils. All Trustees are provided with copies of the Trusts policies, procedures, minutes, budgets, plans and other documents that they will need to understand their roles as Trustee. On-going governance reviews and training programmes are encouraged for all Trustees to ensure that they continue to make an effective contribution and are kept up to-date with changes in legislation and government policy on education.

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

Structure, Governance and Management (continued)

Organisational Structure

The organisational structure consists of three levels: The Trust Board; and at each school within the Trust, an Educational Standards Board and a Senior Leadership Team. The Trust Board is responsible for each school within the Trust and statutory duties.

The Educational Standards Boards are accountable to the Trust Board and work within the remit of an agreed and understood scheme of delegation. The Educational Standards Boards are responsible and accountable for:

- Student Attainment
- Learning, and the Learning Environment
- Curriculum & Standards of Performance
- Safeguarding and day-to-day Health & Safety

The Trustees with the Co-CEO's are responsible for setting general policy, adopting an annual plan and budget, approval, monitoring the Trust by use of budgets and making major decisions about the strategic direction of the Trust, capital expenditure and senior staff appointments. They have retained responsibility for Pay & Conditions, Human Resources and Finance and have a strategic overview of the areas delegated to the Educational Standards Boards.

The Trust Board has two sub-committees; Finance & Audit and Pay & Conditions.

There is a Senior Leadership Team in each school with a Head of School/Head Teacher who reports to the Co-CEO's. Each school has its own separate leadership structure.

One of the Co-Chief Executive Officers of the Trust assumes the role of the Accounting Officer.

The Senior Leadership Team of the MAT includes:

E Neighbour	Co-CEO and Accounting Officer
A Spinks	Co-CEO
S I Sarll	Chief Financial Officer

Arrangements for setting pay and remuneration of key management personnel.

Periodically the support staff roles within the Trust are bench marked by an independent HR specialist company with experience of the education market. Leadership roles are bench marked by the MAT Senior Leadership Team. These are reviewed as re-organisations are undertaken, new roles are established and as responsibilities change. Key Management Personnel are reviewed by the Trustees. Key Management Personnel for this purpose are the Senior Leadership Team as defined on page 1.

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

Structure, Governance and Management (continued)

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the year	1
Full-time equivalent employee number	1

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time £000

Total cost of facility time	-
Total pay bill	7,600
Percentage of total pay bill spent on facility time	- %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	100 %
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Related Parties and other Connected Charities and Organisations

During the year the Trust made recharges for Catering Management Charges to Upton Court Services Ltd, a wholly owned subsidiary with the Co-CEO's (Directors) from 1 September 2019 in common. The subsidiary is a company registered in England & Wales under company number 03792054. The principal activity of Upton Court Services Ltd was catering services to other schools. During the year £119k (2019 £139k) recharge of costs were processed and the year end surplus of £55k will be donated to the MAT in 2020/21. At year end £251k was due from Upton Court Services Ltd. Upton Court Services Ltd is part of the same VAT group as the Trust.

Refer to Notes 12 and 31 in the financial statements.

Objectives and Activities

Objects and Aims

The principal object and activity of the Trust is the operation of academies to provide a broad and balanced curriculum.

The Trust's Articles of Association state that the Trust's object is specifically 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'.

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

Objectives and Activities (continued)

	We invest intelligently, inspire collaboration and pioneer so that all learners in our family of schools have equal access to an outstanding education.			
	We ... pioneer	We ... inspire collaboration	We ... invest intelligently	We ... drive equality
Values	By preparing the way for others to follow, we transcend barriers through aspiration, merit and risk. Pioneer engenders determination, commitment and responsibility to better society through education and learning, never accepting mediocrity.	Working in partnership and collaboration is key to the success of Pioneer. In a culture of high trust and intelligent risk-taking, collaboration exists at all levels and between all stakeholders.	As the employer of choice, we invest intelligently in providing high-quality professional development for all staff and a positive and enriching work environment. We provide high support and challenge that enables all colleagues to flourish.	Providing equal access to an outstanding education is central to the aims of the Trust. The Trust champions the vulnerable and disadvantaged, breaking down barriers to learning. We drive equality and foster diversity.

Pioneer aims that in three to five years, every school within Pioneer will provide an outstanding education to all children and young people. An exceptional curriculum and strong pastoral systems in all schools will provide every child and young person with the opportunity to achieve academic and personal success. Any barriers to learning will be eradicated.

Pioneer aims to be the employer of choice as a result of its commitment to professional development for all staff, a positive and enriching working environment and outstanding leadership development opportunities. Coupled with a systematic approach to school improvement, the Trust will provide high support and high challenge to all leaders enabling them to flourish and be fulfilled.

Pioneer is outward-facing will continue to demonstrate a commitment to both the local and educational communities.

Objectives, Strategies and Activities

Foxborough Primary School

On 1 May 2019 the school was judged as being good in all areas by Ofsted. To put this in context, the school was into measures in June 2013 and became part of Pioneer on 1 January 2014. In the December 2016 Ofsted Inspection, the school was out of special measures and judged as requiring improvement.

The Ofsted report in 2019 noted that the vision and values of the Trust underpin the ethos and culture of the school. Staff said 'The school is a much happier place to be'. Their expectations of pupils are appropriately high.

It also reported that the Trust had played an instrumental role in supporting the school's improvement. The Trust 'has also wisely given the well-being and professional development of staff a high priority. This has helped to stabilise staffing after a period of some turbulence. Collaborative working with other schools within the MAT, and the provisions of high-quality professional training and support, have led to sustained improvement.'

The report also reported on Governance and noted that new governors 'are well supported by the MAT to develop their expertise and effectiveness in providing the right balance of support and challenge. The MAT routinely trains governors to ensure that leaders are held appropriately to account. Governors also work closely with the MAT's board of Directors'.

The school is now actively working on achieving outstanding.

The Vision:

Foxborough Primary School is proud to serve its pupils, their families and the local community. As a school, we

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

Objectives and Activities (continued)

seek to provide an inspiring education that is inclusive and supportive. It is committed to providing a principled and holistic education that develops the whole child providing them with love of learning and a desire to make a positive contribution to society.

Foxborough Primary School:

- Cares for its pupils and their families in a supportive and understanding environment;
- Seeks to nurture every child's individual talents so that they reach their full potential;
- Works co-operatively with the local community to raise aspirations;
- Is purposeful, organised and effective in bringing about positive change.

As well as providing a curriculum that prepares children for their continuing educational journey, the school aims to develop its pupils as resilient, resourceful and creative thinkers.

Trevelyan Middle School

On 2 October 2019 the school was judged as being good overall by Ofsted. It was rated as outstanding in two of the four areas assessed. To put this into context, the school was judged as requiring improvement in January 2013 and January 2015; joining Pioneer in November 2016. The school had previously never been assessed as being good and so this was an historic moment for the school.

The inspectors noted that 'Trustees of the multi-academy trust (MAT) have a clear vision for the school. They work closely with governors and leaders to ensure that teachers' workload is manageable. Leaders enable subject leaders and teachers to work with others from across the Trust to develop expertise. The chief executive officers of the MAT support leaders well to ensure that high standards are maintained.'

The school is now actively working on achieving outstanding in the remaining two areas assessed as good and therefore an outstanding overall judgement.

The school's mission is to enrich:

Our Enriching Mission

We empower successful lifelong learners who are motivated and inspired by their enriching curriculum. We do this by igniting curiosity, inspiring challenge and developing resilience to nurture kind, socially responsible, forward-thinking learners with ever expanding horizons.

Our Enriching Characteristics

At Trevelyan Middle School, we demonstrate our Enriching characteristics by creating a culture of Encouraging, Nurturing, Respectful, Inspiring, Creative and Happy pupils.

Our pupils develop and cultivate these personal Enriching characteristics through our Enriching values-based curriculum and education. Our Enriching characteristics and values contribute to a safe, happy and inclusive school that prepares pupils to be lifelong learners and responsible citizens for the future.

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

Objectives and Activities (continued)

Our Enriching Values and Vision

Enriching Values	Forward-Thinking	Curiosity	Social Responsibility	Resilience
Enriching Vision	We provide a rich, progressive and innovative curriculum that is hinged upon real world links and is responsive to our ever evolving world.	We ignite pupils' curiosity, instilling a passion and motivation for lifelong learning, 'inspiring learning; enriching lives'.	We create meaningful and inclusive environments that celebrate diversity in all its forms and nurture our learners to be outward thinking citizens.	We ensure all pupils reach their full potential, developing resilience through challenge and independence, creating confident learners.

The school believe in these values and see them and what we do as the recipe in preparing pupils to be the responsible citizens and lifelong learners for the future.

In a rapidly-changing world the school considers itself as privileged to educate your child, however we believe that all parents should know our expectations.

Upton Court Grammar School

The school was last inspected in 2008 when it was judged to be outstanding. The school expects to be inspected under the new government regime and is ensuring that it is fully prepared.

Upton Court has captured its mission in one sentence:

Upton Court Grammar School ensured all students fulfilled their academic and personal aspirations and became successful and engaged citizens.

Our rapidly changing global society, with its accent upon individual responsibility, requires not only high academic standards but also an independence of spirit which Upton Court Grammar School seeks to foster. They aim to work in partnership with parents and the community to widen and develop each student's knowledge, experience, imagination and intercultural understanding; at the same time fostering an awareness of moral values and a capacity for enjoyment which will enable students to be an active participant in a global society.

Upton Court Grammar School seeks to:

- become a world-class school, seen as a centre of excellence and creativity in learning and teaching;
- equip students with the ability to articulate their ideas with confidence in an increasingly competitive work environment

Within the school they resolve to:

- Promote the highest academic standards and enable all students to achieve their full potential;
- Be concerned for the education of the whole person;
- Seek to produce self-reliant, conscientious and inquiring people who will go onto actively learning for the rest of their lives;
- Value young people and get to know them well

At the end of their education at Upton Court Grammar School, young people will have been prepared for citizenship in a democracy and promoting British Values through working constructively with the local

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

Objectives and Activities (continued)

neighbourhood and wider communities.

Values

At UCGS, decisions, behaviours and actions are values-driven. The core values encapsulate what they are all about and help staff and students make decisions and choices, providing an internal barometer for deciding how they should act at all times. The core values at UCGS are:

Unity
Curiosity
Growth
Service

The core values can be seen in the culture, routines, behaviours and relationships. The artefacts of their values can be found across the school: in classrooms, in offices, in the playground and on the walls (actual and virtual). They are the tangible products and evidence of their values-driven approach to teaching & learning and leadership & management. They continue to find new and innovative ways to express these and share them with their community.

Unity

One team. One mission. One community. No islands. Every student matters and every lesson counts. When we work together, anything is possible. We are proud of who we are, where we come from and where we are going.
Ethos link: Be Proud

Curiosity

Through curiosity, staff and students can gain new perspectives and unparalleled learning. Curiosity creates the interest and significance of learning and is the attitude needed to develop innovative teaching. Curiosity helps break down barriers between cultures and their differences. Curiosity asks important how and why questions. Our aim is to develop a mind-set of curiosity in our students and staff so that all can engage in learning and scholarship throughout their lives.
Ethos link: Aim High

Growth

Growth is a hallmark of being human. We believe and act in ways that ensure every member of our community can learn, improve and achieve success through hard work and dedication. We aim to be a deliberately developmental organisation, to take risks, to learn from our experiences and to put learning and continuous improvement at the heart of all that we do.
Ethos link: Aim High

Service

We are part of something bigger than ourselves. We believe education is not just a private good, it is also a public good. As teachers, we are driven by our desire to prepare the next generation to engage with the complexities of the world and deal with them better than we have. As students, we know that the knowledge and learning we gain must be applied and used to improve our communities and our world. Through service to others we develop our strengths, increase our happiness and give our lives meaning.
Ethos link: Be Kind

In order to bring our values to life and to promote a positive and engaging culture at UCGS, they share their ethos (Aim High; Be Kind; Be Proud) and mantras proactively with students and staff. Their motto, Ad Astral, encapsulates all they believe in with regards to student success and aspirations.

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

Objectives and Activities (continued)

Public Benefit

The Trust acknowledges the duty in Section 4 of the Charities Act 2011 to have due regard to the Charity Commission's published general and relevant sub sector guidance on public benefit. This guidance has been taken into account when reviewing our aims, strategy and in planning future activities. All activities undertaken by Trust are for the public benefit. The Trust has continued to make its facilities available to the local community and to provide after school clubs. However, the COVID-19 pandemic has severely restricted this for a significant part of the year.

The Trust is specifically restricted to advance, for the public benefit, education in the United Kingdom and reports annually on the ways in which it has successfully delivered in this regard.

Equal Opportunities

The Trust recognise that equal opportunities should be an integral part of good practice within the workplace. The Trust aims to establish equal opportunity in all areas of its activities including creating a working environment in which the contribution and needs of all people are fully valued.

Disabled persons

The policy of the Trust is to support recruitment and retention of students and employees with disabilities and as such we are a Disability Conscious Employer. The Trust achieves this through adapting the physical environment, by making support resources available and through training and career development. The buildings and sites are being adapted to include lifts, ramps and disabled toilets and door widths that are adequate to enable wheelchair access to all the main areas of the schools.

Strategic Report

Achievements and performance

Due to the COVID-19 pandemic, pupils did not sit any external exams in the summer of 2019, so the results below are the last published results available, for external exams sat in the summer of 2018.

Foxborough Primary School

The school has a significant number of Pupil Premium pupils, compared to the national average (about double) and a significant number of pupils whose first language is not English, compared to the national average (around triple). Pupil mobility is also higher than that nationally. So whilst pupil attainment at the end of Key stage 2 is slightly below the national average progress is good:

	National Average	LA Average	School
Progress score - Reading	0	+0.3	+0.4
Progress score - Writing	0	+0.6	+1.5
Progress score - Maths	0	+1.2	+0.8

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

Strategic Report (continued)

Achievements and performance (continued)

Upton Court Grammar School

Following the new secondary accountability system introduced in 2017 by the Department for Education, the school has been in the top 3% of schools nationally since then.

The schools progress 8 score was +0.73 which shows that the school adds exceptional value and that students achieved around one grade higher in their GCSE's, than if they attended elsewhere.

Outstanding GCE qualifications have enabled sixth form students of Upton Court Grammar School to access the most competitive higher education courses at top UK universities.

The school had another year of outstanding results from the Summer of 2019 with the following results:

	National Average	LA Average	School
Progress 8 score	0		+0.73 (top 3%)
Grade 5 or above in English & maths GCSEs	43.0%	56.9%	97.3%
Attainment 8 score	46.5	53.3	71.8
Entering EBacc	40.0%	47.4%	95.2%
EBacc average point score	4.06	4.72	6.79

Trevelyan Middle School

The school results in the last three years have shown a marked improvement in all areas and are significantly about the national average:

	National Average	LA Average	School
Pupils meeting expected standard in reading, writing and maths	65%	67%	84%
Pupils achieving at a higher standard in reading, writing and maths	11%	15%	18%
Progress score - Reading	0	+0.5	+2.2
Progress score - Writing	0	-0.6	+2.5
Progress score - Maths	0	-0.2	+0.3

The school continues to be oversubscribed with its year 5 pupil intake.

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

Strategic Report (continued)

Achievements and performance (continued)

Key Performance Indicators

<u>Key Performance Indicator</u>	<u>Current period</u>	<u>Trends over time</u>
Revenue – restricted & unrestricted General Fund	£10,453k	2014 £7,940k, 2015 £8,608k, 2016 £8,504k, 2017 £10,118k, 2018 £10,664k, 2019 £10,460
Staff costs as % of GAG Income	88%	2014 - 78%, 2015 - 83%, 2016 - 83%, 2017 - 92%, 2018 - 94%, 2019 - 91%
Free Reserves– restricted & unrestricted General Fund	£3,422k	2014 £1,189k, 2015 £1,513k, 2016 £1,883k, 2017 £2,259k, 2018 £2,518k, 2019 £2,998k
Ofsted Inspection report	UCGS – 2008 Foxborough Primary – 2019 Good Trevelyan Middle – 2019 Good	Outstanding Foxborough Primary 2016 – Requires Improvement Trevelyan Middle 2015 – Requiring Improvement

Going Concern

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

In coming to this conclusion the Trustees have taken into consideration its 3-year Budget Forecast Return, their assessment of risks and uncertainties facing the Trust and the cash reserves of the Trust. The Trustees have taken into consideration that over the next three years, one school is forecast to make in year losses. Two schools have used reserves for essential capital works. One school has a small PAN (Published Admission Number) and as a one form entry school faces increased financial pressures. There were also assumptions made on unfunded pay rises and pension increases. The Trustees therefore in setting the 3-year budget plan made the decision to utilise some reserves whilst looking at ways to further raise income and reduce costs. An external organisation has been contracted to let out our school facilities; the management, advertising, booking and resourcing of facilities in the evening and weekends.

COVID

All three schools opened in line with government guidance and up to the physical capacity of each school. One school remained open to provide childcare provision for vulnerable and key worker children, which included hot meal catering provision for children in attendance. A second school followed suit, once demand required the need.

Pioneer externally caters for two other local schools under a service level agreement. During lockdown there was no disruption to this provision. In fact, we also provided hot meals to one of the schools over the Easter break, as they were open to cater for a significant number of vulnerable pupils and pupils of Key Workers.

Throughout lockdown there was regular communication and consultation with staff, pupils and parents to provide

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

Strategic Report (continued)

Achievements and performance (continued)

assistance with home learning, mental wellbeing and other support. The IT provision was upgraded to support with home learning, facilitate virtual meetings and to enable staff to work from home. Some families were provided with 7" tablets to enable access or better access to home learning.

Governance was maintained throughout lockdown via virtual meetings; a protocol was developed and approved by the Board allowing governance meetings at Board and local level to continue to be held. Additional governance meetings to consider both the re-opening after the June half term and the September re-opening were convened; plans and risk assessments were scrutinised, appropriately challenged and feedback offered.

As Pioneer has maintained healthy reserves through excellent budgetary management, the Trust was able to cope with the additional financial strain placed on resources. Additional cleaning personnel, hygiene supplies, personal protective equipment costs and other costs to reduce the inherent risk of getting COVID were incurred due to the partial re-opening of schools in June. In fact, these costs continue to be incurred in the new academic year 2020/21 and will continue to have an impact on financial resources. Additionally, although not impacting on the financial resources for the period covered by this report, significant supply costs are being incurred since returning to full re-opening in September 2020 to enable the schools to stay open to all pupils.

A further portion of the reserves has been earmarked to deal with the continued resource impact of COVID, during the 2020/21 academic year. Detailed work is happening with each school to ensure that the earmarked funds are available as needed, to assist them in maintaining the high standard of education each school provides and help any 'catch up' needs.

Pioneer's income was also reduced due to the following :

- Lettings income was affected as all schools stopped lettings from March 2020 to the end of the academic year. Additionally, our lettings sub-contractor went into liquidation due to COVID, resulting in further loss of income due to unpaid invoices.
- Whilst the impact was lessened by Furlough monies claimed in respect of catering staff, as the schools were closed no catering income was generated during lockdown, with limited income generated after partial re-opening in June.

Financial Review

The Statement of Financial Activities shows a consolidated surplus before actuarial gains or losses on the Local Government Pension Scheme of £2,958k (2019 –surplus of £94k). The results are stated after the annual depreciation charge of £1,094k (2019 £1,004k) and a loss of £240k resulting from the replacements of doors, paving repairs and a new wireless network at Foxborough, a new server, interactive touch screens for classrooms, a new perimeter fence & resurfacing part of the front car park at Upton Court Grammar, new boilers & flat roofs at Trevelyan and new computers (desktops & laptops) across all schools, all of which are set against the fixed asset fund.

Most of the Trust's income is obtained from the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the period and the associated expenditure are shown in restricted funds in the Statement of Financial Activities. As shown in note 20, restricted general funds (excluding pension) increased by £446k (2019 – increased by £371k)

The main source of unrestricted income was Catering funds, internally for the Trust own pupils and externally through the subsidiary for two local schools. Fund raising activities during the period amounted to £169k. Due to

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

COVID-19 the catering for the Trust's own pupils made a significant loss and income from the external catering was more restricted, unrestricted funds thereby decreased by £22k to £1,143k at 31 August 2020.

The Trust also received grants for fixed assets from the ESFA, in accordance with the Charities Statement of Recommended Practice 'Accounting for Reporting' FRS 102 2015, such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

Under the Charities SORP, it is necessary to charge projected deficits on the Local Government Pension Scheme, which is provided for support staff, to a restricted fund. This does not present the Trust with any liquidity problems. Employer contributions are currently rising as detailed in note 28.

The pension reserve shows an increase in the Local Government Pension Scheme deficit to £7,108k (2019 £5,381k). Further details are shown in note 28. The DfE has previously stated that Academies are not expected to fund the deficit as a lump sum, but that it will continue to be addressed through employer contribution rates over future periods, from the General Annual Grant.

Overall the Trust has a healthy balance sheet and cash flow. Reserves will be used where needed to maintain the current assets and invested back into schools in conjunction with development plan and aims.

Reserves Policy

The Trust keeps the level of reserves under review as they wish to maintain reserves at a level where prudently the resources will cover long term cyclical needs of renewals and any unforeseen contingencies. In the short and medium term more reserves are needed as there is a need to bring the facilities of all schools in the Trust up to an acceptable level.

There is currently a deficit on the reserve for the Local Government Pension Scheme. The Trust is paying contributions to the Local Government Pension Scheme at the rate recommended by the actuary and payments in respect of the deficit will occur over a number of years. The last actuarial valuation was carried out as at 31 March 2019 and set the contribution rates from 2020 to 2023. The deficit increased this year.

The Trust currently has reserves in the Grammar school and Primary School to cover more than one month of average running costs and in the Middle School just over three weeks. Overall the Trust can cover all three schools for over a month. The Trust is working towards each school having enough retained reserves to cover a month of average running costs. The Trust is working hard to improve revenues and reduce costs to counter the increasing pressures on the school budget with unfunded pay increases, pension cost increases and inflationary pressures as discussed under principal risks. The Trust currently has reserves of £3,422k against average running costs of £850k per month.

The Trust reserves are shown in note 20 in the financial statements.

Investment Policy

The Trust will ensure adequate cash balances are maintained to cover day to day transactions. Surplus balances may be placed in investments with no risk of capital loss, but to optimise returns on such investments. All investments would be made in sterling, with UK based financial institutions.

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

Principal Risk and Uncertainties

The Principal risks facing the Trust are:

- 1) Financial risk - Pioneer Educational Trust is heavily reliant on government funding and this is expected to continue. This leaves Pioneer vulnerable to changes in government policy particularly those that reduce the public funding available for education. The principal goal for the Trust is to safeguard its long term ability to continue to attract the high calibre staff required to deliver an excellent education to all pupils, and to maintain and renew its physical facilities. The risks of reduced government funding to education therefore need to be managed.

This risk is being mitigated in a number of ways by:

1. Monitoring the evolving education agenda and keeping informed of changes made by the Department for Education;
 2. Keeping the Member Schools' cost base as low as possible and ensuring that value for money is obtained; and
 3. Developing commercial activities that will contribute towards the overheads of the Schools in the Trust and promote the educational facilities available.
- 2) Reputation risk – The Trust in recent years has focused on improving the schools that joined the Trust and both now have a good Ofsted rating. As well as improving the education for the pupils, Pioneer has looked to improve the standard of the buildings on both sites. Successful grant applications and use of reserves have gained new roofs, boilers and windows on both sites as well as improved IT and sports facilities. Some further work on both sites is still required and therefore over the next few years the Trust will set up a programme of work to achieve the necessary improvements required by both sites. Upton Court Grammar School has recently been rebuilt/refurbished as part of the PSBP programme, significantly improving and in some cases upgrading the facilities; the school currently has an outstanding Ofsted rating.
- 3) Student numbers are very close to capacity in two of the three schools. The risk of failing to recruit sufficient pupils is being mitigated in a number of ways by:
 - ensuring a high quality learning environment will be provided with high success rates in achievement and progress;
 - providing good quality educational resources for staff and pupils
- 4) Staffing Risk – the success of the academy is reliant on the quality of its staff. The Trust has found that there are difficulties in recruiting new staff because of competition from other local schools and the close proximity to London and higher salary rates.

The risk of failing to attain and retain high quality staff is being mitigated by policies and procedures to ensure continued development and training of staff as well as ensuring that there is clear succession planning. No staff are appointed unless they fully meet the Trust's criteria in particular trainee teachers are being recruited via Schools Direct and from overseas. It is clear from the recent Ofsted reports that staff in the schools appreciate the MAT input and in ensuring that their workloads are manageable.
- 5) Asset Risk –
 - a. Upton Court Grammar School completed the final phase 3 (of 3) of the Priority School Building Plan (PSBP) rebuild and renovation programme in October 2019 with a new gym and multiuse games area (MUGA) being handed over to the school for occupation. The project which commenced in 2016 has meant the removal of the old temporary buildings, renovation of the main building built in 1936 with new roof, floor where needed and boilers, as well as the construction of a new three storey building to house

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

new classrooms, a new hall, music, drama, technology & IT facilities and a new gym and multiuse games area (MUGA). In terms of significant building work needed in the next few years there is only one concern area;

- the drains underneath the 1936 building; these have been monitored to see if the problems of pastflooding re-occur after all the building work and improvements that have taken place finished. Over the past year, the previous flooding problems have not re-occurred, but the monitoring will continue
- b. Foxborough Primary School has via CIF bids managed to get the roofs repaired and a new boiler and heating system put in. However, the condition of the buildings is still not at the level the Trust would like and so funds have been used to decorate some areas and renew windows and doors where critical. Additional CIF and/or SEEF bids are being considered to fully bring all the buildings up to standard.
- c. Trevelyan Middle School has recently replaced windows, rebuilt outdoor sports courts and extended a number of classrooms. The school was successful in getting two CIF bids and work started over the summer of 2019 on replacement flat roofs and boilers to bring these aspects up to standard. The discovery of evidence of bats in one of the roofs and the disruption caused by the COVID-19 pandemic, has significantly delayed this work, but it will be completed in the Autumn Term 2020.

The risk of failing to maintain the buildings is being mitigated by keeping in close contact with the ESFA to keep them aware of the issues that we have and ensuring that essential and health and safety repairs are undertaken. Refurbishing is only undertaken where this is considered essential to the educational needs of the school.

- 6) The Trustees acknowledge and are concerned about the LGPS deficit which is included as a liability on the balance sheet of the Trust, especially given the fact that it has increased significantly during the financial year (and is likely to increase more, due to the disadvantageous ruling of recent high profile court cases such as McCloud), the ultimate risk being that, the liability crystallises and becomes payable. However, as the LGPS pension fund is a national fund, albeit administered at a local level, this event will not occur unless there is a closure of a school within the Trust. Should this occur, the Trustees place reliance upon the Governmental Guarantee, which came into force on 18 July 2013, that in the event of academy closure, outstanding LGPS liabilities would be met by the Department for Education. As detailed in the reserves policy and at note 28 the Trust has a defined benefit pension scheme which is in deficit by £7,108k.

Fundraising

Each school organises fundraising events and co-ordinates the activities of the parents, pupils and school staff. During the year the Trust did not use professional fundraisers or involve commercial participators. There have been no complaints about fundraising activities this year.

The Trust's subsidiary trading company only enters into trading partnerships which are in the Trust's best interest and these are monitored.

The Trust is working on a policy to ensure that any fundraising undertaken complies with recognised standards and understands that it will need to monitor any fund raising undertaken on its behalf. It recognises that it has a duty to protect donors, charity supporters and the public from intrusive fundraising practices.

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

Plans for Future Periods

The Trust will continue striving to uphold and build upon its successes and the achievement of its pupils at all levels. Looking at each school:

- Upton Court Grammar School endeavours to ensure that all pupils are in a position to take up a career of their choice when they leave and that they are all equipped to make a substantial contribution to society;
- Foxborough Primary School endeavours to bring the school up to an outstanding rating for OFSTED having achieved good in 2019;
- Trevelyan Middle School endeavours to bring the school up to an outstanding rating for OFSTED having achieved good in 2019;
- Pioneer is continuing to look for additional schools to join the Trust and enable all Trust schools to benefit from the larger base of schools
- Work continues to realise cost savings and effectiveness across the Trust with a centralised procurement strategy

Auditor

Insofar as the Trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 10 December 2020 and signed on its behalf by:

M Jervis
Chair of Trustees



PIONEER EDUCATIONAL TRUST
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GOVERNANCE STATEMENT

Scope of responsibility

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

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

The Board of Trustees has delegated the day-to-day responsibility to one of the Co-Chief Executive Officers, 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 Pioneer Educational Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The Board of Trustees has formally met 8 times during the year.

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

Trustee	Meetings attended	Out of a possible
S Veeran (Appointed 20 July 2020)	1	1
A Le Poidevin (Appointed 4 December 2019)	7	7
M Hernandez Estrada	6	8
M Roper	7	8
D Sohal (Resigned 11 October 2019)	0	1
M Jervis (Chair from 1 January 2019)	8	8
K Gill	4	8
R Sharma	6	8
G May (chair) (Resigned 31 December 2019)	2	2
E Neighbour	8	8
A Spinks	8	8
S Badhan	5	8
L Hergarty	8	8

The Trust Boards work includes:

- To review the Trust risk register at least termly
- To review the Trusts Scheme of delegation
- To receive reports from the Finance and Audit committee on internal controls and any issues on the financial matters
- To receive and review the management accounts and cash flows report at least termly - more work is due to take place to ensure the covering report is succinct and covers the issues the Trustees need to be aware of
- To receive and review the budget for the following year
- To review and approve new policies or updated policies – changes are highlighted and a suitably skilled Trustee reads the policy and reports back on the policy to speed up the review process
- To review any reports on health and safety issues and insurance claims
- To review the Trusts staffing structure and to have an oversight of key staff appointments
- To receive reports on non-routine maintenance work of the grounds or premises and to approve the contract bid process where urgent action has not been required

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

- To receive reports on individual school performance and be aware of high and low performance where urgent action is needed or praise due – the dashboards have been developed over the last two years to ensure that the information is easy to read and interpret for the Trustees and to allow focus on the key aspects.
- To consider reports on developing the Trust

The Finance & Audit committee is a subcommittee of the main Board of Trustees. Its purpose is to assist the Trust in fulfilling its oversight responsibilities with particular reference to:

- strategic financial reporting
- internal control
- risk management
- external audit

To receive the reports from the auditors external or internal, where feasible, with comments and recommendations on such matters, on a regular basis and ensuring major issues have been dealt with before taking them to the Board for ratification.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
D Sohal (Chair) (Resigned 11th October 2019)	0	1
A Le Poidevin (New Chair) (Appointed 4 December 2019)	4	4
E Neighbour	6	6
M Roper	5	6
G May (Chair) (Resigned 31 December 2019)	2	2

The Pay and Conditions committee is a subcommittee of the main Board of Trustees.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
M Jervis	2	2
M Roper	2	2
E Neighbour	2	2

Review of Value for Money

As Accounting Officer, the Co-Chief Executive Officer has responsibility for ensuring that the Trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for 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 Trust has delivered value for money during the year by:

- providing meals to other local schools to fully utilise the Trust catering facilities, promote the Trust and provide additional resources;
- contracts register been updated to ensure that need for and costs of contracts can be challenged on a timely basis;

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GOVERNANCE STATEMENT (CONTINUED)

Review of Value for Money (continued)

- submitting bids to obtain additional capital funding for building works;
- continued implementation of HR software with central access across the Trust and to allow self-service or staff;
- curriculum led financial planning has ensured that staffing numbers meet the required outputs for each school whilst keeping costs at a minimum.

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 on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Pioneer Educational Trust for the period 1 September 2019 to 31 August 2020 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 on-going process for identifying, evaluating and managing the Trust's significant risks that has been in place for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of Trustees;
- regular reviews by the Finance and Audit Committee and the Board 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 Trust's finances are managed centrally and the Trust applies the same internal control procedures across all schools. All schools are cashless, use the same financial software to collect monies from parents, approve and record financial transactions and orders are placed by the central finance team.

The Board of Trustees has decided to employ UHY Hacker Young LLP Chartered Accountants as internal auditor.

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

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GOVERNANCE STATEMENT (CONTINUED)

The Risk and Control Framework (continued)

Autumn Term

- Cash Management
- Fixed Assets
- Purchases
- VAT

Spring Term

- Cyber/data and information security
- Income
- Payroll

Summer Term

- Budgeting Process
- Central Trust Function
- Controls accounts and accounting
- Regularity and Governance

Three times per year, the internal auditor will provide reports to the Board of Trustees, through the Finance and Audit committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities and annually prepares a short annual 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.

There were no high risk level control issues arising as a result of the internal audit work undertaken in the year. An action plan has been agreed to take rectify the medium and low risk issues identified. The action plan will be reported on to the Finance and Audit Committee until the agreed actions are completed or superseded.

Review of Effectiveness

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

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

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

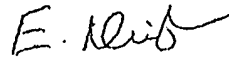
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GOVERNANCE STATEMENT (CONTINUED)

Approved by order of the members of the Board of Trustees on 10 December 2020 and signed on their behalf by:



M Jervis
Chair of Trustees



E Neighbour
Accounting Officer

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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Pioneer Educational Trust, I have considered my responsibility to notify the 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 Trust, under the funding agreement in place between the Trust and the Secretary of State for Education. As part of my consideration, I have had due regard to the requirements of the Academies Financial Handbook 2019.

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

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



E Neighbour
Accounting Officer
Date: 10 December 2020

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

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

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

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

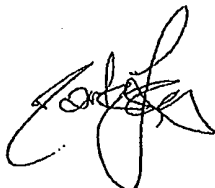
The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Charitable Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Charitable Company and enable them to ensure that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

The Trustees are responsible for ensuring that in their conduct and operation the Group and the Charitable Company apply financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from 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 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 Trustees on 10 December 2020 and signed on its behalf by:

M Jervis
Chair of Trustees



PIONEER EDUCATIONAL TRUST
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
PIONEER EDUCATIONAL TRUST**

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group 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 audit opinion.

Conclusions relating to going concern

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

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

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
PIONEER EDUCATIONAL TRUST (CONTINUED)**

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Other information includes the Reference and administrative details, the Trustees' report including the Strategic report, and the Governance statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- the parent Trust has not kept adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Trust 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.

PIONEER EDUCATIONAL TRUST
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
PIONEER EDUCATIONAL TRUST (CONTINUED)**

Responsibilities of Trustees

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

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

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

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

Use of our report

This report is made solely to the charitable 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 charitable Trust's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable Trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



FOR LANDAU BAKER LIMITED

Carly Pinkus (Senior statutory auditor)

for and on behalf of

Landau Baker Limited

Chartered Accountants
Statutory Auditors

Mountcliff House
154 Brent Street
London
NW12 2DR

10 December 2020

PIONEER EDUCATIONAL TRUST
(A company limited by guarantee)

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

In accordance with the terms of our engagement letter dated 21 June 2019 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Pioneer Educational Trust during the year 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Pioneer Educational Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Pioneer Educational Trust's funding agreement with the Secretary of State for Education dated 18 December 2013 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 issued by 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 Trust's income and expenditure.

PIONEER EDUCATIONAL TRUST
(A company limited by guarantee)

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

Conclusion

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

Landau Baker Limited

Reporting Accountant

Landau Baker Limited

Chartered Accountants
Statutory Auditors

Mountcliff House
154 Brent Street
London
NW12 2DR

Date: 10 December 2020

PIONEER EDUCATIONAL TRUST
(A company limited by guarantee)

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

	Note	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Restricted fixed asset funds 2020 £000	Total funds 2020 £000	Total funds 2019 £000
Income from:						
Donations and capital grants	3	-	15	3,864	3,879	1,059
Charitable activities		202	9,780	-	9,982	9,593
Other trading activities		255	201	-	456	773
Total income		457	9,996	3,864	14,317	11,425
Expenditure on:						
Raising funds		6	164	-	170	427
Charitable activities	7	473	9,622	1,094	11,189	10,904
Total expenditure		479	9,786	1,094	11,359	11,331
Net (expenditure)/income		(22)	210	2,770	2,958	94
Transfers between funds	20	-	(240)	240	-	-
Net movement in funds before other recognised gains/(losses)		(22)	(30)	3,010	2,958	94
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	28	-	(1,251)	-	(1,251)	(852)
Net movement in funds		(22)	(1,281)	3,010	1,707	(758)
Reconciliation of funds:						
Total funds brought forward		1,165	(3,548)	43,717	41,334	42,092
Net movement in funds		(22)	(1,281)	3,010	1,707	(758)
Total funds carried forward		1,143	(4,829)	46,727	43,041	41,334

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

The notes on pages 37 to 65 form part of these financial statements.

PIONEER EDUCATIONAL TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 07462530

CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	2020 £000	2019 £000
Fixed assets			
Tangible assets	14	46,703	43,147
		<u>46,703</u>	<u>43,147</u>
Current assets			
Stocks	15	7	2
Debtors	16	629	699
Cash at bank and in hand		4,403	4,315
		<u>5,039</u>	<u>5,016</u>
Creditors: amounts falling due within one year	17	(1,444)	(1,282)
Net current assets		<u>3,595</u>	<u>3,734</u>
Total assets less current liabilities		<u>50,298</u>	<u>46,881</u>
Creditors: amounts falling due after more than one year	18	(149)	(166)
Net assets excluding pension liability		<u>50,149</u>	<u>46,715</u>
Defined benefit pension scheme liability	28	(7,108)	(5,381)
Total net assets		<u><u>43,041</u></u>	<u><u>41,334</u></u>
Funds of the Trust			
Restricted funds:			
Fixed asset funds	20	46,727	43,717
Restricted income funds	20	2,279	1,833
		<u>49,006</u>	<u>45,550</u>
Restricted funds excluding pension asset	20	49,006	45,550
Pension reserve	20	(7,108)	(5,381)
		<u>41,898</u>	<u>40,169</u>
Total restricted funds	20	41,898	40,169
Unrestricted income funds	20	1,143	1,165
		<u>43,041</u>	<u>41,334</u>
Total funds		<u><u>43,041</u></u>	<u><u>41,334</u></u>

PIONEER EDUCATIONAL TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 07462530

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2020

The financial statements on pages 31 to 65 were approved by the Trustees, and authorised for issue on 10 December 2020 and are signed on their behalf, by:

M Jervis
Chair of Trustees



The notes on pages 37 to 65 form part of these financial statements.

PIONEER EDUCATIONAL TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 07462530

TRUST BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	2020 £000	2019 £000
Fixed assets			
Tangible assets	14	46,703	43,147
		<u>46,703</u>	<u>43,147</u>
Current assets			
Stocks	15	7	2
Debtors	16	881	789
Cash at bank and in hand		4,094	4,222
		<u>4,982</u>	<u>5,013</u>
Creditors: amounts falling due within one year	17	(1,442)	(1,279)
Net current assets		<u>3,540</u>	<u>3,734</u>
Total assets less current liabilities		<u>50,243</u>	<u>46,881</u>
Creditors: amounts falling due after more than one year	18	(149)	(166)
Net assets excluding pension liability		<u>50,094</u>	<u>46,715</u>
Defined benefit pension scheme liability	28	(7,108)	(5,381)
Total net assets		<u><u>42,986</u></u>	<u><u>41,334</u></u>
Funds of the Trust			
Restricted funds:			
Fixed asset funds	20	46,727	43,717
Restricted income funds	20	2,279	1,833
		<u>49,006</u>	<u>45,550</u>
Restricted funds excluding pension liability	20	49,006	45,550
Pension reserve	20	(7,108)	(5,381)
Total restricted funds	20	<u>41,898</u>	<u>40,169</u>
Unrestricted income funds	20	1,088	1,165
Total funds		<u><u>42,986</u></u>	<u><u>41,334</u></u>

PIONEER EDUCATIONAL TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 07462530

TRUST BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2020

The financial statements on pages 31 to 65 were approved by the Trustees, and authorised for issue on 10 December 2020 and are signed on their behalf, by:

M Jervis
Chair of Trustees



The notes on pages 37 to 65 form part of these financial statements.

PIONEER EDUCATIONAL TRUST
(A company limited by guarantee)

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

	Note	2020 £000	2019 £000
Cash flows from operating activities			
Net cash provided by operating activities	23	891	454
Cash flows from investing activities	25	(786)	347
Cash flows from financing activities	24	(17)	49
Change in cash and cash equivalents in the year		88	850
Cash and cash equivalents at the beginning of the year		4,315	3,465
Cash and cash equivalents at the end of the year	26, 27	4,403	4,315

The notes on pages 37 to 65 form part of these financial statements

PIONEER EDUCATIONAL TRUST
(A company limited by guarantee)

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

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the Trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2019 to 2020 issued by 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 Trust and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The 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 Trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Income

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

- **Legacies**

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Group has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Group, can be reliably measured.

- **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.

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

1. Accounting policies (continued)

1.4 Expenditure

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

- **Expenditure on raising funds**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Tangible fixed assets

Assets costing £2,000 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, 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 basis:

Freehold property	-	2% per annum
Long-term leasehold property	-	2% ,10%, 33%, 7% annum
Long leasehold land	-	1% per annum
Fixtures and fittings	-	25% ,10% per annum
Office equipment	-	25% per annum
Computer equipment	-	33% , 20% per annum
Motor vehicles	-	20% per annum
Other fixed assets	-	5% , 20% per annum

Assets in the course of construction are included at cost. Depreciation on these assets is not charged

PIONEER EDUCATIONAL TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.5 Tangible fixed assets (continued)

until they are brought into use and reclassified to freehold or leasehold land and buildings.

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

1.6 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.7 Debtors

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

1.8 Cash at bank and in hand

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

1.9 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 Group anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.10 Financial instruments

The Group only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Group 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 16. Prepayments are not financial instruments. Amounts due to the 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.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 17 and 18. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the Trust's wholly owned subsidiary are held at face value less any impairment.

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

1. Accounting policies (continued)

1.11 Pensions

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

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

1.12 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the Group 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.

Investment income, gains and losses are allocated to the appropriate fund.

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

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

The 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 28, 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 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3. Income from donations and capital grants

	Restricted funds 2020 £000	Restricted fixed asset funds 2020 £000	Total funds 2020 £000	Total funds 2019 £000
Donations	15	-	15	94
Capital Grants	-	3,864	3,864	965
	<u>15</u>	<u>3,864</u>	<u>3,879</u>	<u>1,059</u>
<i>Total 2019</i>	<u>94</u>	<u>965</u>	<u>1,059</u>	

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

4. Funding for the Trust's educational activities

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Total funds 2020 £000	Total funds 2019 £000
DfE/ESFA grants				
General annual grant (GAG)	-	9,177	9,177	8,583
Other DfE/ESFA income	-	440	440	480
National College grants	-	-	-	28
	-	9,617	9,617	9,091
Other government grants				
Local authority grants	-	126	126	150
	-	126	126	150
Other funding				
Other income from the trust's educational operations	202	20	222	352
	202	20	222	352
Exceptional government funding				
Coronavirus exceptional support	-	17	17	-
	202	9,780	9,982	9,593
Total 2019	326	9,267	9,593	

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

The funding received for coronavirus exceptional support covers catering staff costs. These costs are included in note 8 below.

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

5. Income from other trading activities

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Total funds 2020 £000	Total funds 2019 £000
Lettings income	11	-	11	15
Other income	47	-	47	82
Trip income	16	201	217	481
Catering income	181	-	181	195
	<u>255</u>	<u>201</u>	<u>456</u>	<u>773</u>
<i>Total 2019</i>	<u>305</u>	<u>468</u>	<u>773</u>	

Upton Court Services Ltd received income from external schools for catering services provided.

6. Expenditure

	Staff Costs 2020 £000	Premises 2020 £000	Other 2020 £000	Total 2020 £000	Total 2019 £000
Expenditure on raising voluntary income:					
Direct costs	-	-	170	170	427
Educational activities:					
Direct costs	6,231	-	1,718	7,949	7,653
Allocated support costs	1,885	623	732	3,240	3,251
Total 2020	<u>8,116</u>	<u>623</u>	<u>2,620</u>	<u>11,359</u>	<u>11,331</u>
<i>Total 2019</i>	<u>7,850</u>	<u>564</u>	<u>2,917</u>	<u>11,331</u>	

PIONEER EDUCATIONAL TRUST
(A company limited by guarantee)

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

7. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Total funds 2020 £000	Total funds 2019 £000
Educational activities	473	10,716	11,189	10,904
Total 2020	473	10,716	11,189	10,904
Total 2019	556	10,348	10,904	

8. Analysis of expenditure by activities

	Activities undertaken directly 2020 £000	Support costs 2020 £000	Total funds 2020 £000	Total funds 2019 £000
Educational activities	7,949	3,240	11,189	10,904
Total 2019	7,653	3,251	10,904	

PIONEER EDUCATIONAL TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Educational activities 2020 £000	Total funds 2020 £000	Total funds 2019 £000
Staff costs	6,157	6,157	5,721
Depreciation	1,094	1,094	1,004
Technology costs	24	24	59
Educational supplies	124	124	120
Examination fees	128	128	154
Staff development and training	50	50	52
Catering	203	203	250
Other direct costs	95	95	87
Teaching supply costs	74	74	206
	<u>7,949</u>	<u>7,949</u>	<u>7,653</u>
<i>Total 2019</i>	<u>7,653</u>	<u>7,653</u>	

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

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Educational activities 2020 £000	Total funds 2020 £000	Total funds 2019 £000
Pension finance cost	97	97	102
Staff costs	1,853	1,853	1,861
Other staff costs	14	14	7
Technology costs	317	317	319
Maintenance of premises and equipment	249	249	202
Cleaning	59	59	49
Energy costs	178	178	202
Rent and rates	104	104	74
Insurance	36	36	37
Security and transport	27	27	24
Catering	19	19	-
Governance costs	44	44	44
Recruitment & support	39	39	33
Other support costs	135	135	207
Support staff supply costs	32	32	62
Other professional fees	37	37	28
	<u>3,240</u>	<u>3,240</u>	<u>3,251</u>
<i>Total 2019</i>	<u>3,251</u>	<u>3,251</u>	

PIONEER EDUCATIONAL TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

9. Net (expenditure)/income

Net (expenditure)/income for the year includes:

	2020 £000	2019 £000
Operating lease rentals	63	63
Depreciation of tangible fixed assets	1,094	1,004
Loss on disposal of fixed assets	-	5
Fees paid to auditors for:		
- audit	12	22
- other services	4	3
	<u>12</u>	<u>3</u>

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	Group 2020 £000	Group 2019 £000	Trust 2020 £000	Trust 2019 £000
Wages and salaries	5,868	5,712	5,868	5,712
Social security costs	542	539	542	539
Pension costs	1,587	1,331	1,587	1,331
	<u>7,997</u>	<u>7,582</u>	<u>7,997</u>	<u>7,582</u>
Teaching supply costs	74	206	74	206
Staff restructuring costs	13	-	13	-
Support staff supply costs	32	62	32	62
	<u>8,116</u>	<u>7,850</u>	<u>8,116</u>	<u>7,850</u>
	<u>8,116</u>	<u>7,850</u>	<u>8,116</u>	<u>7,850</u>
	Group 2020 £000	Group 2019 £000	Trust 2020 £000	Trust 2019 £000
Severance payments	13	-	13	-
	<u>13</u>	<u>-</u>	<u>13</u>	<u>-</u>
	<u>13</u>	<u>-</u>	<u>13</u>	<u>-</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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10. Staff (continued)

b. Staff numbers

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

	Group 2020 No.	Group 2019 No.
Teachers	84	90
Administration and support	113	116
Management	12	12
	<u>209</u>	<u>218</u>

c. Higher paid staff

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

	Group 2020 No.	Group 2019 No.
In the band £60,001 - £70,000	2	5
In the band £70,001 - £80,000	3	2
In the band £80,001 - £90,000	1	-
In the band £90,001 - £100,000	-	2
In the band £100,001 - £110,000	2	-

d. Key management personnel

The key management personnel of the 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 Trust was £622,000 (2019 £715,000).

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11. Central services

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

- human resources
- financial services
- legal services
- other costs that cover all academies in the trust as they arise
- estate management services
- strategic direction
- trust governance, secretarial and clerking services

The Group charges for these services on the following basis:

7% of GAG Income

The actual amounts charged during the year were as follows:

	2020 £000	2019 £000
Upton Court Grammar School	374	342
Foxborough Primary School	92	109
Trevelyan Middle School	177	153
Total	643	604

12. Related Party Transactions - Trustees' remuneration and expenses

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

		2020 £000	2019 £000
A Spinks, Co CEO	Remuneration	100-105	95 - 100
	Pension contributions paid	20-25	15 - 20
E Neighbour, Co CEO	Remuneration	100 - 105	95 - 100
	Pension contributions paid	20 - 25	15 - 20

During the year ended 31 August 2020, expenses were reimbursed or paid directly to 2 Trustees (2019 - to 2 Trustees) broken down as follows:

	2020 £000	2019 £000
Travel	2	2

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13. Trustees' and Officers' insurance

In accordance with normal commercial practice, the Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2020 was £315 (2019 - £315). The cost of this insurance is included in the total insurance cost.

14. Tangible fixed assets

Group

	Freehold property £000	Long- term leasehold property £000	Assets under construction £000	Furniture and equipment £000	Computer equipment £000	Motor vehicles £000	Other fixed assets £000	Total £000
Cost or valuation								
At 1 September 2019	29,479	16,696	288	445	682	28	137	47,755
Additions	11	32	681	87	39	-	-	850
Donation	3,800	-	-	-	-	-	-	3,800
Disposals	-	-	-	-	(202)	-	-	(202)
At 31 August 2020	33,290	16,728	969	532	519	28	137	52,203
Depreciation								
At 1 September 2019	2,812	921	-	321	507	3	44	4,608
Charge for the year	668	323	-	31	58	5	9	1,094
On disposals	-	-	-	-	(202)	-	-	(202)
At 31 August 2020	3,480	1,244	-	352	363	8	53	5,500
Net book value								
At 31 August 2020	29,810	15,484	969	180	156	20	84	46,703
At 31 August 2019	26,667	15,775	288	124	175	25	93	43,147

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14. Tangible fixed assets (continued)

Trust

	Freehold property £000	Long- term leasehold property £000	Assets under construction £000	Furniture and equipment £000	Computer equipment £000	Motor vehicles £000	Other fixed assets £000	Total £000
Cost or valuation								
At 1 September 2019	29,479	16,696	288	445	682	28	137	47,755
Additions	11	32	681	87	39	-	-	850
Transfers intra group	3,800	-	-	-	-	-	-	3,800
Disposals	-	-	-	-	(202)	-	-	(202)
At 31 August 2020	33,290	16,728	969	532	519	28	137	52,203
Depreciation								
At 1 September 2019	2,812	921	-	321	507	3	44	4,608
Charge for the year	668	323	-	31	58	5	9	1,094
On disposals	-	-	-	-	(202)	-	-	(202)
At 31 August 2020	3,480	1,244	-	352	363	8	53	5,500
Net book value								
At 31 August 2020	29,810	15,484	969	180	156	20	84	46,703
At 31 August 2019	26,667	15,775	288	124	175	25	93	43,147

15. Stocks

	Group 2020 £000	Group 2019 £000	Trust 2020 £000	Trust 2019 £000
Catering	7	2	7	2

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**NOTES TO THE FINANCIAL STATEMENTS
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16. Debtors

	Group 2020 £000	Group 2019 £000	Trust 2020 £000	Trust 2019 £000
Due within one year				
Trade debtors	44	61	43	56
Amount due from subsidiary	-	-	251	92
Other debtors	112	28	114	28
Prepayments and accrued income	425	511	425	511
VAT recoverable	48	99	48	102
	<u>629</u>	<u>699</u>	<u>881</u>	<u>789</u>

17. Creditors: Amounts falling due within one year

	Group 2020 £000	Group 2019 £000	Trust 2020 £000	Trust 2019 £000
Salix loans	17	17	17	17
Trade creditors	460	422	460	422
Other taxation and social security	140	139	140	139
Other creditors	341	211	342	211
Accruals and deferred income	486	493	483	490
	<u>1,444</u>	<u>1,282</u>	<u>1,442</u>	<u>1,279</u>

	Group 2020 £000	Group 2019 £000	Trust 2020 £000	Trust 2019 £000
Deferred income at 1 September 2019	404	293	404	293
Resources deferred during the year	301	404	301	404
Amounts released from previous periods	(404)	(293)	(404)	(293)
	<u>301</u>	<u>404</u>	<u>301</u>	<u>404</u>

At the balance sheet date the Trust was holding funds received in advance for Universal Free School Meals, Bursary Income, Rates Relief and Unspent Grants.

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

	Group 2020 £000	Group 2019 £000	Trust 2020 £000	Trust 2019 £000
Salix loans	149	166	149	166

Included within the above are amounts falling due as follows:

	Group 2020 £000	Group 2019 £000	Trust 2020 £000	Trust 2019 £000
Between one and two years				
Other loans	102	102	102	102
Between two and five years				
Other loans	47	64	47	64

19. Upton Court Services Limited

	Unrestricted funds 2020 £000	Total funds 2020 £000	Total funds 2019 £000
Turnover	180	180	193
Cost of Sales	(119)	(119)	(139)
Administrative expenses	(6)	(6)	(7)
Profit on ordinary activities before taxation	55	55	47
Profit on ordinary activities after taxation	55	55	47
Donation to Charitable Parent Trust	-	-	(75)
(Deficit)/Profit for the financial year	55	55	(28)
The assets and liabilities of the subsidiary were: Current assets	308	308	98
Current liabilities	(253)	(253)	(98)

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20. Statement of funds

	Balance at 1 September 2019 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2020 £000
Unrestricted funds						
General Funds - all funds	1,165	457	(479)	-	-	1,143
Restricted general funds						
GAG	1,833	9,194	(8,508)	(240)	-	2,279
Pupil premium	-	289	(289)	-	-	-
Other grants	-	33	(33)	-	-	-
Other DfE/ESFA funding	-	118	(118)	-	-	-
LA & government funding	-	103	(103)	-	-	-
Catering	-	181	(181)	-	-	-
Other income	-	63	(63)	-	-	-
Donations	-	15	(15)	-	-	-
Pension reserve	(5,381)	-	(476)	-	(1,251)	(7,108)
	(3,548)	9,996	(9,786)	(240)	(1,251)	(4,829)
Restricted fixed asset funds						
Restricted fixed assets fund - all funds	43,717	-	(1,094)	240	-	42,863
Devolved formula capital	-	64	-	-	-	64
Donated capital asset	-	3,800	-	-	-	3,800
	43,717	3,864	(1,094)	240	-	46,727
Total Restricted funds	40,169	13,860	(10,880)	-	(1,251)	41,898

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

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

Restricted fixed assets funds have been increased by capital grants provided by DfE and reduced by depreciation charges.

Restricted general fund have been increased by revenue grants provided by DfE and reduced by expenditure incurred in the operation of the academy.

The restricted funds can only be used in terms of limitations imposed by the Funding Agreement with the DfE and the terms of any specific grant.

Unrestricted funds have been increased by voluntary contributions by parents and reduced by expenditure incurred in the operation of the academy.

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

Total funds analysis by academy

Fund balances at 31 August 2020 were allocated as follows:

	2020 £000	2019 £000
Upton Court Grammar School	2,314	2,137
Foxborough Primary School	485	555
Trevelyan Middle School	211	157
Central Services	357	149
Upton Court Services - Subsidiary	55	-
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	3,422	2,998
Restricted fixed asset fund	46,727	43,717
Pension reserve	(7,108)	(5,381)
	<hr/>	<hr/>
Total	43,041	41,334

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

20. 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, consultancy and exam fees £000	Other costs excluding depreciation £000	Total 2020 £000	Total 2019 £000
Upton Court Grammar School	3,269	653	174	871	4,967	5,261
Foxborough Primary School	873	279	40	311	1,503	1,618
Trevelyan Middle School	1,782	278	38	503	2,601	2,572
Central Services	307	296	-	109	712	655
Upton Court Services - Subsidiary	-	-	-	125	125	221
Consolidation Adjustments	-	-	-	(119)	(119)	-
LGPS Pension Costs	-	379	-	97	476	-
Trust	6,231	1,885	252	1,897	10,265	10,327

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

	Balance at 1 September 2018 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/(Losses) £000	Balance at 31 August 2019 £000
Unrestricted funds						
General Funds - all funds	1,056	630	(521)	-	-	1,165

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20. Statement of funds (continued)

	Balance at 1 September 2018 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2019 £000
Restricted general funds						
GAG	1,462	8,587	(8,049)	(167)	-	1,833
Pupil premium	-	331	(331)	-	-	-
Other grants	-	28	(28)	-	-	-
Other DfE/ESFA funding	-	149	(149)	-	-	-
LA & government funding	-	150	(150)	-	-	-
Catering	-	469	(469)	-	-	-
Other Income	-	22	(22)	-	-	-
Donations	-	94	(94)	-	-	-
Pension reserve	(4,015)	-	(514)	-	(852)	(5,381)
	<u>(2,553)</u>	<u>9,830</u>	<u>(9,806)</u>	<u>(167)</u>	<u>(852)</u>	<u>(3,548)</u>
Restricted fixed asset funds						
Restricted fixed assets fund - all funds	43,589	-	(1,004)	167	-	42,752
Devolved formula capital	-	129	-	-	-	129
Condition Improvement Fund	-	836	-	-	-	836
	<u>43,589</u>	<u>965</u>	<u>(1,004)</u>	<u>167</u>	<u>-</u>	<u>43,717</u>
Total Restricted funds	<u>41,036</u>	<u>10,795</u>	<u>(10,810)</u>	<u>-</u>	<u>(852)</u>	<u>40,169</u>
Total funds	<u>42,092</u>	<u>11,425</u>	<u>(11,331)</u>	<u>-</u>	<u>(852)</u>	<u>41,334</u>

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

21. Financial instruments

	Group 2020 £000	Group 2019 £000	Trust 2020 £000	Trust 2019 £000
Financial assets				
Financial assets measured at fair value through income and expenditure	4,403	4,315	4,094	4,222

Financial assets measured at fair value through income and expenditure comprise bank and cash balances.

22. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Restricted fixed asset funds 2020 £000	Total funds 2020 £000
Tangible fixed assets	-	-	46,703	46,703
Current assets	1,143	3,872	24	5,039
Creditors due within one year	-	(1,444)	-	(1,444)
Creditors due in more than one year	-	(149)	-	(149)
Provisions for liabilities and charges	-	(7,108)	-	(7,108)
Total	1,143	(4,829)	46,727	43,041

Analysis of net assets between funds - prior period

	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Restricted fixed asset funds 2019 £000	Total funds 2019 £000
Tangible fixed assets	-	-	43,147	43,147
Current assets	1,165	3,281	570	5,016
Creditors due within one year	-	(1,282)	-	(1,282)
Creditors due in more than one year	-	(166)	-	(166)
Provisions for liabilities and charges	-	(5,381)	-	(5,381)
Total	1,165	(3,548)	43,717	41,334

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**NOTES TO THE FINANCIAL STATEMENTS
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23. Reconciliation of net income to net cash flow from operating activities

	2020 £000	2019 £000
Net income for the period (as per Statement of financial activities)	2,958	94
Adjustments for:		
Depreciation	1,094	1,004
Capital grants from DfE and other capital income, donated assets	(3,864)	(965)
Defined benefit pension scheme cost less contributions payable	379	412
Defined benefit pension scheme finance cost	97	102
(Increase)/decrease in stocks	(5)	-
Decrease/(increase) in debtors	70	(255)
Increase in creditors	162	57
Loss on disposal of fixed assets	-	5
Net cash provided by operating activities	891	454

24. Cash flows from financing activities

	Group 2020 £000	Group 2019 £000
Cash inflows from new borrowing	-	63
Salix loan repayment in year	(17)	(14)
Net cash (used in)/provided by financing activities	(17)	49

25. Cash flows from investing activities

	Group 2020 £000	Group 2019 £000
Purchase of tangible fixed assets	(4,650)	(618)
Capital grants from DfE/ESFA	3,864	965
Net cash (used in)/provided by investing activities	(786)	347

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**NOTES TO THE FINANCIAL STATEMENTS
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26. Analysis of cash and cash equivalents

	Group 2020 £000	Group 2019 £000
Cash in hand	4,403	4,315
Total cash and cash equivalents	<u>4,403</u>	<u>4,315</u>

27. Analysis of changes in net debt

	At 1 September 2019 £000	Cash flows £000	At 31 August 2020 £000
Cash at bank and in hand	4,315	88	4,403
Debt due within 1 year	(17)	-	(17)
Debt due after 1 year	(166)	17	(149)
	<u>4,132</u>	<u>105</u>	<u>4,237</u>

28. Pension commitments

The 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 Royal Borough of Windsor and Maidenhead. 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 August 2020.

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

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.

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**NOTES TO THE FINANCIAL STATEMENTS
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28. 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 £880,000 (2019 - £610,000).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate Trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £427,000 (2019 - £422,000), of which employer's contributions totalled £327,000 (2019 - £324,000) and employees' contributions totalled £ 100,000 (2019 - £98,000). The agreed contribution rates for future years are 19.6 per cent for employers and 5.5 to 12.5 per cent for employees.

As described in note 1.11 the LGPS obligation relates to the employees of the Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Trust at the balance sheet date.

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

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28. Pension commitments (continued)

Principal actuarial assumptions

Royal County of Berkshire Pension Fund

	2020	2019
	%	%
Rate of increase in salaries	3.30	3.70
Rate of increase for pensions in payment/inflation	2.30	2.20
Discount rate for scheme liabilities	1.60	1.85

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

	2020	2019
	Years	Years
<i>Retiring today</i>		
Males	21.5	22.1
Females	24.1	24.0
<i>Retiring in 20 years</i>		
Males	22.9	23.7
Females	25.5	25.8

Sensitivity analysis

	2020	2019
	£000	£000
Discount rate +0.1%	11,182	9,173
Discount rate -0.1%	11,706	9,611
Mortality assumption - 1 year increase	11,887	9,717
Mortality assumption - 1 year decrease	11,012	9,072

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28. Pension commitments (continued)

Share of scheme assets

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

	2020 £000	2019 £000
Equities	2,529	2,231
Other bonds	568	582
Property	615	506
Cash	411	315
Other	210	374
Total market value of assets	4,333	4,008

The actual return on scheme assets was £177,000 (2019 - £228,000).

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

	2020 £000	2019 £000
Current service cost	702	616
Past service cost	-	116
Interest income	(77)	(96)
Interest cost	174	198
Administrative expenses	4	4
Total amount recognised in the Consolidated Statement of Financial Activities	803	838

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

	2020 £000	2019 £000
At 1 September	9,389	7,465
Current service cost	702	616
Interest cost	174	198
Employee contributions	100	98
Actuarial losses	1,186	984
Benefits paid	(110)	(88)
Past service costs	-	116
At 31 August	11,441	9,389

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

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

	2020 £000	2019 £000
At 1 September	4,008	3,450
Interest income	77	96
Actuarial (losses)/gains	(65)	132
Employer contributions	327	324
Employee contributions	100	98
Benefits paid	(110)	(88)
Administration expenses	(4)	(4)
At 31 August	<u>4,333</u>	<u>4,008</u>

29. Operating lease commitments

At 31 August 2020 the Group and the Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2020 £000	Group 2019 £000
Later than 1 year and not later than 5 years	28	17
Later than 5 years	26	13
	<u>54</u>	<u>30</u>

30. Members' liability

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

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31. Related party transactions

Owing to the nature of the 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 Academies Financial Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

Expenditure Related Party Transaction

Mr A Spinks, spouse of A Spinks, Co-CEO and Trustee is employed by the Trust as the inclusion lead in Foxborough Primary School. Mr A Spinks appointment was made in open competition and A Spinks was not involved in the decision making process regarding appointment. Mr A Spinks is paid within the normal pay scale for his role and receives no special treatment as a result of his relationship to a Trustee.

No other related party transaction took place other than certain Trustees' remuneration and expenses already disclosed in note 12.

32. Agency arrangements

The Trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2020 the Trust received £21,731 (2019: £20,359) and disbursed £6,656 (2019: £8,617) from the fund. An amount of £68,962 (2019: £76,382) is included in other creditors relating to undistributed funds that are repayable to the ESFA.